

# Russians call summit over threat of Olympic boycott

The Russians yesterday summoned their allies to discuss what to do if Western athletes boycott the Olympics. To leave Afghanistan would have disastrous ideological and strategic consequences (our

Moscow Correspondent writes) but a boycott by leading Western countries would be a national humiliation. The British Cabinet favours moving the games from Moscow if that is possible.

## Fear of national humiliation

From Michael Binyon  
Moscow, Jan 17

Party representatives from the Soviet Union's nine economic allies, in a meeting in Moscow today to discuss the Olympics, said growing calls in the West for a boycott of the games.

The meeting at the Soviet Communist Party headquarters was officially to discuss the preparations for the games and information work. But there seems little doubt that the Russians summoned their allies to discuss what to do should Western athletes fail to take part in the Olympics.

Although the transfer of the games from Moscow at this stage has been ruled out as virtually impossible, a widespread boycott by America and leading Western countries would be a national humiliation keenly felt by every citizen in the Soviet Union.

The matter would be even more serious if Saudi Arabia's withdrawal was followed by that of other Muslim countries. It would rob the Olympics of any sporting significance, emasculate the competition and nullify all Soviet attempts to use the games as a chance to advertise and justify the communist way of life.

The blow to Soviet pride would embitter relations with the West for years to come, strengthen xenophobic nationalism and might make it doubtful whether the Russians would take part in sporting events in the West for some years.

Most Russians do not believe that anything can now stop the Olympics. But they are beginning to be worried. In the past two days, Tass has printed declarations from leading athletes and Olympic committees all over the world saying they still intend to come to Moscow.

On Sunday the popular newspaper *Soviet Sport* had a long article reassuring its readers that the world's sportsmen will be in Moscow in July.

Officially, the Russians have only learnt of doubts about the

### ON PAGE 8

Schmidt pledge to US  
India's differences played down  
US protest on expulsions  
IOC reject Thatcher move  
Rebels' trips across border

games from a short paragraph in Pravda yesterday quoting Lord Killanin, the president of the International Olympic Committee, saying that only his committee could decide the venue.

But many people who listen regularly to foreign radio stations know that it is the Afghanistans which has cast a shadow over the games.

The Russians will not suffer much financially from a boycott. Moscow is insured with the International Olympic Committee, which would have to pay out large sums if its members did not take part. Contracts with Western companies could still be enforced, and television rights have mainly been sold.

In any case, almost three quarters of the colossal construction costs—some 230m roubles (about £164m) according to the Soviet organising committee—are expenditures on new buildings, roads, sports complexes and tourist facilities which will remain after the games.

But many of the 200,000 foreign visitors expected for the games would not come if Western teams pulled out. Their haul would be a heavy blow to the economy, and the Russians have imported from the West.

A successful staging of the Olympic Games would allow the regime and the party to bank its national pride, quell many of the grumbles and complaints about shortages and limitations, would seem to justify the tough measures already taken to quash dissent and remove undesirable from the view of visitors.

Moscow has been preparing for the biggest influx of visitors since the Napoleonic invasion with almost military thorough-

ness. Armies of builders have been mobilised cohorts of guides and interpreters are being trained, brigades of cleaners, painters and decorators are working round the clock to transform this city of eight million people into a showplace for the communist way of life.

A boycott would certainly lead to heated arguments within the Politburo, whose outcome might affect the post-Brezhnev leadership struggle. Depending on how widespread the boycott was, it could lead to a reassessment of relations with America, Western Europe or the Muslim world.

What is difficult to predict is whether it would get Soviet troops out of Afghanistan. It would seem unlikely. Mr Brezhnev himself admitted that the decision to go into Afghanistan was a hard one.

The Russians clearly saw some of the risks. But to go back now on the decision would have disastrous ideological and strategic consequences in Soviet eyes. And for the Russians an cost is too high to protect their ideology and their security.

The Soviet leadership knows that Western countries cannot enforce a boycott. They know that athletes would stay away and public opinion accept the wrecking of the Olympics only if the political atmosphere remains as tense as it is now or gets worse.

It is, therefore, in the Soviet interest to remain as cool as possible in the face of such threats, not to take counter-measures in reply to those announced by President Carter, and to carry on with the preparations.

Moscow may do its best to appear conciliatory and persuade the West that Afghanistan need not be a barrier to all further political discussion. And with a few helpful gestures, if all goes well, official Western support for a boycott will have faded away in five months.

Leading article, page 15

## Three die in Belfast train bomb attack

By Christopher Thomas  
Belfast

Three people died and at least two others were seriously injured in a rush-hour bomb attack on a packed commuter train on the outskirts of Belfast last night. Attempts to bomb two other trains in the province failed earlier yesterday.

The attack on the Lillburn to Belfast commuter train, at Dunmurry, was one of the most callous attacks against civilians. No warning was issued.

As the three-carriage train shuddered to a halt with the centre carriage ablaze, about 30 passengers leapt on to the tracks and climbed the bank to safety. Mr Humphrey Atkins, Secretary of State for Northern Ireland, described the attack as inhuman.

It is rare for the Provisional IRA to place bombs without warning in places where large numbers of civilians are gathered, but the raid must raise grave fears.

Bombs were placed on two trains on the Carrickfergus to Belfast line, but both were hurled out of the windows by passengers and exploded harmlessly.

Rescue teams worked in bitter cold to reach the dead and injured at Dunmurry. One man with serious burns was discovered wandering off by himself in a severe state of shock. A helicopter with a powerful searchlight hovered over the scene.

Three bombs destroyed a large store in Dungannon but no deaths or serious injuries. A man planted a bomb outside the Carlton Hotel and shouted a warning before escaping. Ten minutes later the bomb exploded and the hotel was destroyed by fire.



The fifth floor of the Mount Royal Hotel after the first bomb exploded at breakfast time.

## Arab killed in West End hotel bomb blasts

By Stewart Tait

Hundreds of guests fled from a central London hotel yesterday after a bomb ripped through the fifth floor, leaving an Arab dead and another man injured.

More than four hours later as police were searching the debris, there was a second explosion but there were no serious injuries.

The explosions occurred at the Mount Royal Hotel, overlooking Oxford Street in the West End. The first explosion was at 7.35 am as guests, many

of them tourists, were in bed or getting ready for breakfast.

A number of guests had returned to the hotel after being evacuated to another near by when the second explosion occurred just before midnight.

In Beirut, a Palestinian command group calling itself "the May 15 Arab Organisation" claimed responsibility for the bomb explosion, Reuters reported.

A typewritten statement from the hitherto unknown group delivered to Reuters office said the blast killed or wounded a

number of Israeli intelligence agents and Jewish immigrants destined for "occupied Palestine". It added that "serious damage was also caused to the Zionist hotel".

Last night the police said the dead man was registered at the Mount Royal on January 15 as Mohammed Sultani, a Bahraini student in his early twenties, who was due to check out today.

The police are not yet clear whether he died by his own hand as he was making up an explosive device or whether he

was the victim of a bomb attack.

The second explosion does lend credence to speculation that he could have been making a bomb at the time of the explosion and may have completed making another.

Police have ruled out any connection between the dead man and Mr Gerhard Buhme, a West German, who was seriously injured in the explosion. A businessman, he is thought to have been in another room close to the one where the explosion

Continued on page 2, col 4

## Mrs Thatcher gives steel union leaders chance of meeting

By Fred Emery  
Political Editor

Mrs Thatcher yesterday agreed to a request to meet the striking steel union leaders, provided they meet departmental ministers first.

While there was great insistence in Whitehall that the move signified no change in the Government's policy of non-intervention in the negotiations, ministers freely agreed that the Cabinet believed that they should do all they could to facilitate a successful outcome to the dispute.

One senior minister even ventured a new touch of optimism. It was observed that more since the Government's insistence is not being offered beyond the present cash limit of £450m next year was not the only possible element of compromise.

Without venturing into detail, the minister believed that other elements of the dispute could be amenable to what was called adjustment, or rearrangement in the negotiations.

One source agreed that, if the Prime Minister saw a chance of settling the strike quickly, she would take it. The idea that in agreeing to such a requested meeting the Government was shifting its policy was resisted elsewhere in Whitehall.

One source said that Mrs Thatcher thought it "useful" if the union leaders first saw the two ministers, but she said she was "very ready" to meet them, thereafter, if she did, "he told them, she would then have to extend the same courtesy to top management at the British Steel Corporation, namely Sir Charles Villiers, and Mr Robert Scholey, chief executive.

Some ministers and certainly leaders of the CBI, make little effort to conceal their dismay at what they see as the incompetence of BSC's top managers in handling the negotiations. Their initial blunder in engaging the unions with

what seemed a 2 per cent pay offer is seen by some ministers as irredeemable.

However, Mrs Thatcher's point in mentioning the necessity of a meeting with the BSC managers was also, it seems, to refute suggestions that she had at any time discussed the dispute with them.

Our Parliamentary Correspondent writes: Sir Keith Joseph gave no sign yesterday that the Government was in any mood to soften its tough non-interventionist stand over the steel strike.

Opening a debate on the steel industry he told the Commons that he would meet Mr Sir. But he went on, "nor in any way for negotiation". That, he said, would be for BSC and the unions.

Indeed, far from softening the Government's position, Sir Keith seems set on bolstering any wavering on his own benches as he told one Tory questioner that on top of the changes in trade union law already included in the Employment Bill, the Government might have to consider further changes.

The Commons later approved the Government's handling of the strike by 313 votes to 259, a majority of 54.

Whatever the rights or wrongs of the steel strike, now in its third week, it was certainly Sir Keith's day in the Commons as he crushed Mr

Continued on page 2, col 5

## President Tito refuses to undergo amputation

From Dassa Trevisan  
Belgrade, Jan 17

The probability that another operation may be unavoidable became greater today as the condition of President Tito's left leg was reported to have greatly deteriorated. Today's official medical report struck a gloomier note than the carefully worded bulletins which have so far kept anguish and relief balanced.

The doctors' anxiety is apparent as the report suggests that amputation may be necessary. However, President Tito has so far adamantly refused amputation, just as earlier he had refused the advice of Professor Michael DeBakey, the American surgeon, to fly to Houston for treatment.

Today's bulletin described the general state of the President's health as continuing to improve. But this was followed by the gloomiest report so far on the circulation problem in the left leg, which was said to have become progressively worse, having failed to respond to surgery a week ago.

Yugoslav officials do not conceal that the situation of President Tito's health continues to cause anxiety, and the nation is being prepared for the worst.

The danger of gangrene is considerable but surgery would be that much more risky as the President is suffering from diabetes, too.

EEC concern, page 7

## Budget on day of Primate's enthronement

By Our Political Editor

Budget day is to be Tuesday, March 25, the day the new Archbishop of Canterbury is enthroned. It was announced in the Commons yesterday. Indicating that he would prefer to attend the enthronement, Mr Norman St John-Stevas, Leader of the House, gave no reasons for the clash of dates.

It was said later by ministers that since the Government intended to have fewer budgets than its predecessor, it was easier for Sir Geoffrey Howe, QC, Chancellor of the Exchequer, to announce the date well in advance, an interpretation hardly calculated to impress the new Archbishop.

EEC decision, page 17

## Royal Navy switches task force

By Henry Stanhope  
Defence Correspondent

A Royal Navy task group of three frigates and two Royal Fleet Auxiliary supply ships which left Devonport on Monday for the Caribbean and North America, has been switched to the Mediterranean at short notice, it was learnt last night.

It is understood that the presence of the ships in the Mediterranean will increase the possible options for the Government in the light of the present crisis in Afghanistan and Iran.

While there are no plans to deploy the ships in the Indian Ocean, the force will be constantly placed in a state of readiness to respond to any crisis in the Mediterranean.

The Intrepid, 12,120 tons, has eight landing craft and facilities for eight Wessex helicopters.

The frigates squadron, whose ships include Cleopatra, Amazon and Avenger, will arrive in Gibraltar this afternoon, and will then sail into the Mediterranean for exercises with the United States

## Cabinet in favour of change in venue

By George Clark  
Political Correspondent

Mrs Margaret Thatcher told the Commons that the Cabinet was in favour of moving the Olympic Games from Moscow to some other place, if that were possible.

"No one can do it alone," she said. "We believe we should try to do it by concerted action with our allies and make an approach to the International Olympic Committee in whose hands the decision would lie".

Asked by Mr William Ramm, Labour MP for Central Fife, whether she would refuse permission for the Duke of Edinburgh to go to Moscow if the venue could not be changed, she said she was not prepared to give undertakings at the moment.

"I have indicated the view we take," she said. "If we are not able to succeed in that view, other matters will arise and decisions will have to be taken at the time".

Mr Ramm, a Conservative MP for Warrington, who was a member of the 1948 and 1952 British Olympic athletics teams, said that a government approach would have a damaging effect if it were rejected by the sporting bodies concerned.

He thought there should be full consultation before the Government took any definite line on the question of boycotting the games. The Government should take into account the athletes.

Mrs Thatcher assured him that she had these things in mind. Athletes had been training to reach their peak. That is why we think it would be right to try to move the venue away from Moscow," she said.

"Equally, we just cannot stand back and see the Russians do what they have done in Afghanistan, depriving it and talking no action at all".

Last night it was confirmed that the Cabinet is pressing other Western countries to come to a joint decision on providing finance so that the games can be staged in other venues. Montreal has been suggested as an alternative, but the Government believes the events could be divided up.

It was made quite plain that if it was not found possible to find alternative venues, the Government would not wish to be associated with Moscow. No minister would attend, and it seems fairly clear that the Duke of Edinburgh would be discouraged from attending.

Insurance risk: Lloyds' underwriters will have to pay out \$40m (nearly £30m) to the National Broadcasting Corporation of America if the Olympic Games are cancelled or transferred from Moscow. NBC insured against cancellation and consequent loss of television revenue through a single premium of \$2m just over two years ago.

Parliamentary report, page 6

## Gold closes at record \$802 in New York

Gold continued to surge on the world's bullion markets yesterday, closing at \$802 an ounce in New York last night. An ounce point the metal touched the \$820 an ounce level. In London gold closed at \$760 an ounce—a record—after slipping back by one ounce—a record—after a morning fix from the previous night's level of \$755. Page 17

## Mortgage gloom

Mortgage interest rates are unlikely to fall this year even if there is a general decline in interest rates, the Building Societies' Association say in a report. The report on mortgage finance in the 1980s says the societies should meet future demand for home loans if their interest rates and borrowers remain competitive. Page 17

## Scarman warning on entry rules

Some women settled in the United Kingdom would be less well placed in regard to their family life than others under the Government's proposed new immigration rules, Lord Scarman told a Commons select committee. Certain provisions could offend articles of the European Convention on Human Rights. Page 4

## Judges 'bewildered'

The recent decision by Lord Somers, the Governor of Southern Rhodesia, to commute the death sentences on 11 convicted African murderers is causing some consternation in legal and political circles. The country's judges, said Mr Justice MacDonald, were "bewildered". Page 8

## EEC oil tax plan

The EEC is considering a proposal to tax oil imports into Europe as a means of increasing Community revenue and reducing dependency on external oil. Page 7

## Underhill call to NEC on 'Militants'

Members of the Labour Party's National Executive Committee should make consciousness of the activities of the "Militant" group, Lord Underhill said. The group's two leaders, Mr Peter Taffe and Mr Ted Grant, in an interview said allegations that they sought to wreck the party were nonsense. Page 2

Prisoner sues: A prisoner who was kept in solitary confinement for 180 days at Wakefield jail is to sue the Home Office. Page 5

Chile: Mr Peter Shore, Shadow spokesman on foreign affairs, leads protest against Britain's decision to exchange ambassadors. Page 8

Canada: Mr Trudeau kept out of spotlight as Liberals run safe campaign in expectation of election victory. Page 9

Classified advertisements: Appointments, pages 12, 23; Car Buyers' Guide, 24; Personal, 24, 26; Property, 24. Page 7

Leader page, 15  
Letters: On the price of gas, from Sir William McEwan Younger, and others; on a tower opposite the Tate, from Mr E. L. Howard. Leading articles: Western response to Russia; Mortgages; Chile. Page 1

Arts, page 13  
Nicholas Wapshott, reviewing new films in London, discusses the simple strengths of the Australian cinema. John Percival interviews the ballet conductor Robert Irving, once more a familiar figure at Covent Garden. Page 14

Features, page 9, 14  
Henry Stanhope, Defence Correspondent, looks at the Russian military machine. Robert Fisk on the Soviet minister in Afghanistan. Page 16

Obituary, page 16  
Mr Frank Phillips, Dr John Mauchly, Lord Justice Goff. Page 16

Home News 2, 4, 5  
European News 7  
Overseas News 8, 9  
Features 10, 11  
Law Report 12  
Arts 13  
Business 17-22  
Court 16  
Crossword 26

Sport, pages 10-12  
Sports Council: Member threatened in Cape Town: Cricket: Ian Chappell declines to play for Australia: Football: Republic of Ireland announce team to play England. Page 10

Business News, pages 17-22  
Stock markets: Light profit taking lowered the FT 30 index 4.7 to 450.8. There were small falls in gilt edged as the market awaited a new tax stock this afternoon. Page 17

Financial Editor: Girls pause for breath: time for consolidation at Grand Met. Page 17

Business features: Christopher Follett reports on the crisis in the Danish economy; Margaret Stone on prospects for home loans; Kenneth Owen on new steering methods for tankers. Page 17

15 Sale Room 4  
16 Science 16  
17 Snow Reports 16-12  
18 Sports 16-12  
19 TV & Radio 25  
20 Theatres, etc. 12, 13  
21 25 Years Ago 16  
22 Weather 16

## FIGHT BACK AGAINST CANCER

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But as all too many are aware, cancer is something that casts its shadow far beyond those it directly affects. That is why so many people think it right to help the urgent work of the Imperial Cancer Research Fund.

One of the ways you can help us NOW

I am sending the sum of £..... as a donation to the scientific work of the Imperial Cancer Research Fund.  
I do not require a receipt (please delete appropriately).  
As you are sure to know, a donation made by means of a Covenant allows us to reclaim tax paid, thus increasing our resources at no additional cost to the donor. We have up-to-date details of how to make a Covenant arrangement—if you would like them sent, please put a tick in this box.

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HOME NEWS

# Lord Underhill urges Labour NEC to inform constituencies of 'militant' group activities

By Michael Hatfield  
Political Reporter

Lord Underhill, former national agent for the Labour Party, who has been campaigning for the publication of his documents on the infiltration of the Trotskyist "Militant" group into the party, delivered a riposte yesterday to the state-ment issued on Wednesday by Mr Eric Heffer, chairman of the Labour organization committee.

The reply is striking in that Lord Underhill has sought for the first time to criticize members of the national executive committee which in a sense was his employer as a party official.

Lord Underhill states that the national executive committee should not only publish the documents, which he submitted in 1977 and which have not been seen by the whole of the NEC, but also that its members should make a conscientious attempt to "re-examine the en-tries of the 'Militant' group's activities."

"The party should publish literature setting out the clear difference between the policies of the 'Militant' organization and the Labour Party philosophy of democratic socialism," he said. "It would be helpful if members of the national executive sounded warnings and outlined these differences in their speeches."

In his reply to Mr Heffer, Lord Underhill states: "In this question of the 'Militant' organization, I have always avoided becoming involved in public disagreements with any member of the national executive committee. However, this statement by Mr Eric Heffer, I

have no alternative's but to comment.

It will just not do to shrug off this matter as a media plot to discredit the Labour Party. I am sure any fair-minded person will agree that by and large the media has (sic) treated this matter with a degree of seriousness. With but few exceptions the media has avoided sensationalism and hysteria.

"I would put the point that failure to act because of a desire for tolerance will play into the hands of our political opponents and will be misunderstood by supporters and the electorate in general."

The remark Mr Heffer that in the early 1960s it took some four years for myself and others to convince many sceptics, including members of the national executive, that the 'Keep Left' organization which was then seeking to take over the Labour Party was harmless left-wing youngsters but was under the wing of the Socialist Labour League, a Trotskyist sect, which has now changed its name to the Workers' Revolutionary Party.

"I look forward to Eric Heffer, whose complete acceptance of democratic socialism I respect, and others, setting out in clear terms the difference between the aims of 'Militant' to build a revolutionary party and the Labour Party's philosophy of democratic socialism."

"Let this matter be dealt with so that our constituency parties can be helped to deal with 'Militant' correctly, so that our electoral position is not put in danger by failure to do anything and thereby giving these people a cloak of respectability."

"To raise the question of a possible 'centre party' in the context of the 'Militant' controversy is to bring in a red herring. On that issue there is no difference between Mr Heffer and myself."

"Militant" are justified or not is not the issue. This is the way in which they intend to work. Apart from these documents surely many others who have disclosed information arising from their own independent and detailed inquiries have not all been raised.

And, surely, Mr Heffer and the NEC will take heed of what is told by fellow Members of Parliament about what is happening in their constituencies. Many have spoken to me, as have agents, organizers and many constituency activists. Therefore, all this is not a figment of Underhill's imagination.

"Of course, I am not suggesting the party is in danger of a complete takeover. I and others who share my concern are troubled about the future of our party.

To bury our heads in the sand, or to believe that if the 'Militant' organization is ignored, it will just go away, will be a tragedy for our party. Our members and supporters deserve to be told about our concerns, so that ordinary decent Labour supporters can be alerted and act upon the information."

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## Secret infiltration of party denied

By Craig Seton

The two leading figures in the "Militant" group, whose activities are causing an increasingly acrimonious dispute in the Labour Party, yesterday denied as "myth and nonsense" allegations that they were secretly infiltrating supporters into the party and seeking to wreck it.

Mr Peter Taaffe, editor of the "Militant", described as the Marxist paper for Labour youth, and Mr Ted Grant, its political editor, agreed to be interviewed by *The Times*, which has recently carried information suggesting that the group has 2,000 members intent on penetrating and controlling the Labour Party.

Mr Taaffe, who said he had been a party member since 1960, denied that "Militant" supporters represented a "party within a party" or that there had been "entrapment" into the party from outside. "Militant" represented a trend of opinion within the party.

Mr Grant, a Labour Party member since 1954, who agreed that he had been the chief inspirer of "Militant", said: "What we are working for is that our influence should extend in every ward, general management committee and every trade union branch in the country. We believe that Marxism will gain a majority in the Labour Party and the trade unions in the next 10 or 15 years."

Speaking from the offices of "Militant" in the East End of London, Mr Taaffe and Mr Grant said there might be one or two Labour MPs who agreed with "Militant's" socialist views and it was becoming increasingly influential in the trade union movement, particularly in branches in large industrial areas.

But they said the group had no branches or members, only supporters who received no central direction about their activities in the country. Mr Taaffe said: "We proudly proclaim the fact that our ideas and arguments have had an effect on the more advanced membership of the Labour Party and on MPs."

They claimed "Militant" sold 20,000 copies a week and the group had more supporters than *The Times* suggested it had members. Mr Taaffe said: "We do not claim to control any constituency Labour party, but our ideas have support and influence in more constituency parties than *The Times* suggests, much more."

The idea of a small group of conspirators, clustered into the constituencies like a plague of locusts to mould Labour supporters and capture the party is a myth, "Militant" has every right to organize. We have been working in the Labour Party for decades. The right wing (of the party) and the press did not mind us when we were in a minority."

Mr Taaffe and Mr Grant said

the Labour Party was naturally swayed to the left as a result of the three right-wing Labour governments; the policy of the right wing of the Labour party was "diluted Thatcherism", which had prepared the way for the worst government in Britain for 100 years.

Mr Grant said the "Militant's" intentions were to do with plots or conspiracies. That was growing in strength because the policies of the right wing of the party were bankrupt. "Reformism without reforms cannot have any appeal to the mass of the working class."

The group stood for the socialist transformation of Britain by democratic means. Mr Grant, outlining "Militant's" political beliefs, said it believed the Labour movement and trade unions were strong enough to gain a majority in Parliament and they thought they should enable "Act to bring about that transformation."

The programme would involve a 35-hour week without loss of pay, a minimum wage of £70 to £80 a week and a massive programme of public expenditure.

Mr Taaffe, speaking about the financing of "Militant", said there was not one penny which was not raised from active workers and supporters. "None is raised from ministerial sources, foreign or otherwise."

Last year, it had raised £80,000 in that way, from its supporters and from trade unions and trade union branches.

## Christian feminists drop 'Our Father'

By Clifford Longley  
Religious Affairs Correspondent

The language in which God is addressed and spoken of in worship and theology has become a hot issue for Christian feminists who are preparing to fight.

Their ultimate aim is nothing less than the demasculinization of "God-language" and the thinking behind it, so that the most famous prayer would begin "Our Mother" or "Our parent" or even just "Dear God".

The phrase "Our Father" has been dropped from the individual and group prayers of the Christian feminist movement, which is increasing in strength and confidence.

In coordinating its campaign for the ordination of women in the Church of England, the movement's leaders decided not to press for the removal of sexist language from official prayers, on the ground that that could only increase resistance to women priests.

With the failure of that campaign, at least for some years, the language issue has again come to the fore.

Dr Una Kroll, a Christian feminist leader, said: "There is a lot of strong feeling, particularly among the younger feminists, about the use of 'Our Father' in the Creed, as being 'for us men for our salvation'."

of language, quite decidedly sensitive, and an enormous amount of work is being done on this on the fringes of the churches."

Key words include "man" meaning the human race. Phrases such as "the brotherhood of man" and thought to be particularly dismissive of the place of women.

This issue may have been successfully avoided by the Church of England, but it has, controversially, been taken seriously by the Roman Catholic Church.

But so far neither church has shown any enthusiasm for changing the official designation of the first person of the Blessed Trinity, as God "the Father".

The Roman Catholic International Commission on English in the Liturgy, a high-powered, Vatican-approved body based in Washington, has been studying the sexist language for some years.

What are described as "scholarly, in-depth studies" of the use of discriminatory language in Roman Catholic worship have been commissioned.

As a result the commission almost issued a recommendation that the Mass should not be offered by the priest "for you and for all men", and that Christ's death was not to be described, in the Creed, as being "for us men for our salvation."

An unnamed Roman Catholic bishop, a member of the commission, argued against that on the grounds that publicity would be caused by this and that attention would prejudice the larger question.

Instead of that recommendation, therefore, the commission proposes merely to draw to the attention of Roman Catholic English-speaking bishops that some optional variations are already permitted, and it is up to them to introduce non-sexist alternatives if they wish.

At the far extreme from official international episcopal Roman Catholic activity, the British Council of Churches is preparing a document, bound to be controversial, on human sexuality.

One of the background papers to be incorporated into the final document is by Dr Kroll, arguing that the sexism of the liturgy is one of the cornerstones of patriarchy in Christianity; if women are capable of being Christians, they should not be excluded from its language or from its beliefs.

As an ironic link between the two, English liberal non-Catholic Christian feminists appear to have stumbled on the Virgin Mary, even the "obscurest" ultra-Catholic cult of mariology, not even excluding the once fashionable idea of Mary as "mediatrix" that even conservative Roman Catholicism found too much.

## Talk or we strike, water men demand

By David Felton  
Labour Reporter

Leaders of the four main unions in the water industry today demanded an "immediate assurance" from the employers that talks on a £10 a week comparability claim will be held; otherwise a national strike will be called.

The national union officers made it clear that if the strike went ahead they would expect full support from other unions in the industry. They included a request that supervisory staff should cooperate if troops were called in.

A strike by the 33,000 water workers, which would cause serious public health problems, could start within the next two weeks if the National Water Council refuse the union demand for "meaningful negotiations" on the claim for comparability with workers in the gas and electricity industries.

The employers have offered a 12.1 per cent increase and have said they cannot afford any more. Last night Mr Ronald Keating of the National Union of Public Employees, said council members were "the fall guys for the Government who have imposed cash limits."

Although the water workers in Scotland and Northern Ireland are covered by separate negotiations, Mr Edward Newall, of the General and Municipal Workers' Union, said the union would join the strike. Yesterday the Transport and General Workers' Union announced that its 4,000 members in the industry had given overwhelming support for a strike ballot.

The union's claim is for 46 per cent although the officials last night were only insisting on talks on the comparability element and would not comment on the possibility of a staged implementation of the £10. Mr Newall will today be writing to Mr Len Murray, TUC general secretary, to inform him of the union's decision.

A 13 per cent pay deal covering more than one million local authority workers was officially signed yesterday and Mr Charles Donnan, national officer of the GMBU, said the "satisfactory settlement" would help at negotiations today covering hospital ancillary workers.

## Bomb blast sent wall crashing on bed

Continued from page 1

occurred and killed Mr Sulzani, injured in the explosion. Commander Peter Duffy, head of the Anti-Terrorist Squad at Scotland Yard, said last night that checks were being made by police forces abroad to find out more about the Bahraini.

He said no weapons had yet been found at the scene of the explosion, which were severe and caused probably by several pounds of explosives.

Mr Duffy said the second explosion was smaller and close to the area of the first. He said that no guests were anywhere near the area which had been completely sealed when the blast occurred.

The damaged area of the hotel's fifth floor overlooks a courtyard in the centre of the hotel. The first blast was sufficient to knock down the walls between four or five of the rooms leaving a mass of rubble which was seen to fall from the police to the ground.

Damage has also been done to the sixth and fourth floors and water from burst pipes has run down two walls. A man in pyjamas and swathed in pink hotel blankets, waited to be questioned by detectives and allowed back to their rooms they described their experience in the wake of the bomb blast.

Mrs Daphne Masarakis, aged 50, a Greek tourist, was asleep in a room a few doors from the blast which is thought to have been in rooms 554 and 555. She said she was in bed with her husband and three small children. He was woken by the blast and saw the locked door to an adjoining room fall in.

Grabbing his children, aged 3, 5 and 6, he and his wife rushed from the room and got down to the foyer as flames arrived.

When the second blast came the police had begun to loosen the cordons around the area which included closing part of Oxford Street. As the sound of the explosion carried, guests crossing the road to go back to their rooms halted at each other in a variety of foreign tongues. "There's another one, there's another one."

Throughout the afternoon forensic experts checked the scene as the guests were interviewed in a specially set up room in the Cumberland Hotel.

## Still hope for the world institutions

Professor John Holmes, a former Canadian diplomat, argues in *The Times Higher Education Supplement* today that it is much too soon to give up hope of building world institutions like the UN.

Mr Holmes, who is a senior lecturer at the University of Cambridge, contrasts two giants of sociology who died recently, Talcott Parsons and Herbert Marcuse, and John Gardner discusses Deng Xiaoping's efforts to modernize China's universities.

## STEEL STRIKE BSC wants to cut 11,337 South Wales jobs or close a steelworks

By Peter Hill  
Industrial Editor

Plans for dispersing with more than 11,000 jobs, at two of its main production centres in South Wales were unveiled by the British Steel Corporation (BSC) yesterday.

The strike-bound corporation has set a 10-week deadline to reach agreement with the steel unions. Failure to secure agreement to the drastic demanning would threaten the closure of one of the two plants at Port Talbot or Llanwern, with closure.

The decision, which will involve the continued operation of both plants, was taken after discussions by the BSC board of other alternatives, those of either a complete closure of one of the two, or the shutdown of steelmaking at one and the retention of steel processing facilities at the other.

Details of the "slimline" option have been formally communicated to steel industry unions, who have been invited to take part in consultations.

Their response will be critical. The TUC General Council is scheduled to discuss the strike and BSC's closure plans next week, after a meeting last night of the TUC nationalized industries committee, which gave a warning of serious industrial consequences if the corporation did not suspend its plant closure programme and have talks with all the unions involved.

The Welsh TUC has plans for a one-day strike later this month against the BSC cut-back programme, which will have an impact on the coal mining industry and other steel-using industries.

Union leaders emphasized last week that they wanted to see the Government make the maintenance of steelmaking at the two centres. The BSC plan would meet the requirement, but at a cost of 11,337 jobs, or the present combined labour force of 22,000.

Announcing the decision to go for the "slimline option,"

(seen by many as the softest of the three) Sir Charles Villiers, chairman of BSC, emphasized that agreement by March 31 was essential if the streamlined works were to begin operations effectively next August. The new manpower levels, in line with the corporation's overall objectives of reducing manning in all plants to internationally competitive levels, would be based on the plants producing a total of 2.8 million tonnes of steel a year between them against the present combined capacity of about five million tonnes.

"The commercial basis on which these discussions will take place will, of necessity, have to be reviewed after the strike," Sir Charles said. "The slimline operation would offer South Wales the opportunity to improve practices and performance, and the possibility of high tonnage in the future."

"However, if practices and performance did not justify this combined operation, then the BSC would inevitably be faced with the necessity of a total works closure."

The plan involves a loss of 6,883 jobs at Port Talbot and 4,454 at Llanwern. A total closure of either of the works would mean more than 14,000 jobs being lost.

Sir Charles said that the "slimline option" would provide the least interference with supply routes, customer choice and technology.

It would provide the technical capability at both works to meet the world of international competition by the year 2000, using to be made of new production facilities at Port Talbot and provide for rapid expansion when and if market factors permitted.

The slimline means that the two plants will be operating at only 40 per cent of capacity.

Mr Robert Scholey, BSC's chief executive, said that if agreement could be reached with the unions, the levels of production would be around 231,000 tonnes a year, a man annually compared with the present BSC

average of 141 tonnes a man, with lower overall costs.

Labour costs across the corporation account for about 28 per cent of total costs and at the two Welsh plants implementation of the proposals would reduce that element to 15 per cent.

Union warning: Union leaders in Wales last night accused the British Steel Corporation of arrogance and intimidation over their plans to halve steel-making in the principality and promised a long and uncompromising campaign against the proposals (Tim Jones writes from Cardiff).

The National Coal Board said the plan would reduce the market for South Wales coking coal by about 1,600,000 tonnes a year, equivalent to the output of 10 mines employing 7,000 men and 500 staff. Those figures could be doubled if the corporation decided to rely entirely on imported coking coal.

Mr Peter Allen, director of the Welsh division of BSC, confirmed that the corporation was considering signing new contracts for foreign coal.

The two works, Llanwern and Port Talbot, cannot live in the world of international competition buying their coal between £6 and £13 a tonne above current market international prices," he said.

Mr Donald Hayward, a senior official of the National Union of Mineworkers, said the decision made it virtually certain that unions in South Wales would go ahead with plans for an all-out strike from March 10.

Mr Brian Connolly, divisional organizer of the Iron and Steel Trades Confederation, said: "They will not intimidate us."

Mr George Wright, general secretary of the Wales TUC, said that for BSC to demand an agreement by March 31 on such a highly sensitive issue was "totally inhuman."

## CBI head speaks of threat to jobs of thousands

By Our Industrial Editor

The thousands of workers outside the steel industry were being threatened and lost by the three-week-old strike, Sir John Mervin, director-general of the Confederation of British Industry, said yesterday. "What kind of social justice" was that he asked.

If it was the policy of the Iron and Steel Trades Confederation to inflict grievous bodily harm on the country, why did the union not say so, he asked the American Chamber of Commerce in London.

The CBI leader launched a strong attack on the resurgence of the "unreasonable" and occasionally "violent picketing" of last winter. Such action was completely unacceptable and demonstrated the need for the Government's Bill to limit access to strikers' own place of work.

"Mr Sirs said the other day that the ISTS could not lose this strike. Well, let me assure him in the plainest terms that every single one of us in this country will lose this strike. Jobs far beyond those of his own union members will be threatened and lost," Sir John said.

"He asked steel workers 'did they believe there would be as many jobs in the industry after a long and costly loss of steel imports as there would be in the form of manufactured products, and did they want the rest of the world to take their business elsewhere?'"

## Union ban 'affecting' vital exports

The International Steel Trade Association yesterday protested to Mr Len Murray, TUC general secretary, that union bans on steel movements were seriously compromising the industry in the future.

The association said that steel exports, as well as imports were being affected; it could see no justification in preventing material already rolled by manufacturers from being allowed to go forward to the docks for export.

"This can in no way weaken the position of the union while at the same time would preserve vital export markets which will otherwise be lost."

The association, which claims to be the largest steel trade organization in the United Kingdom, which steel manufacturers, merchants and stock holders among its members, also urged that goods already in stock should be allowed to be delivered.

"These were no part of the dispute and to move them can hardly be regarded as strike breaking," it said. "These contracts were finalized months before any question of a dispute arose."

The association's warning that steel exports, which total around four million tonnes a year, are being affected, follows the successful blockade of east coast ports.

Eight lorry loads of steel were, however, driven out of Boston dock yesterday, while all the pickets except one took a tea break.

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## Tinned foods 'blackened'

From David Nicholson-Lord

The steel strike widened into the retail sector yesterday when supplies of tinned foods to a Tesco warehouse in the Midlands were unofficially declared "black" by members of the shopworkers' union.

Mr Crick, Northamptonshire, said they would refuse to unload supplies of tinned tomatoes and other brand name Tesco foodstuffs delivered by Lorides for Lorides, a Norfolk haulier, some of whose drivers had allegedly been picketing in the west Midlands yesterday. 200 members of the Iron and Steel Trades Confederation on production work at the Brookhouse Group, West Bromwich, were laid off.

## Mrs Thatcher's offer to union leaders

Continued from page 1

John Silkin, opposition industry spokesman, with well chosen quotes from Labour's past Mr Silkin, indeed, seemed somewhat out of his depth, as he wandered rather aimlessly through the steel jungle, bolstered continually by helpful prompting from steel constituency MPs.

From the Labour front bench, Mr Silkin struggled in an uncharacteristically muddled speech, to claim that the dispute was between the Government and the unions.

He said the Government's strike arose from Sir Keith's decision that there would be no fresh support for the steel industry and that it must start breaking even by March, 1980.

But, as the debate developed, it became clear that not all Tory MPs were solidly behind Sir Keith in his policy of refusing to intervene in the strike.

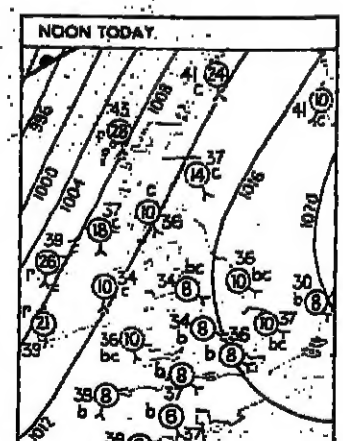
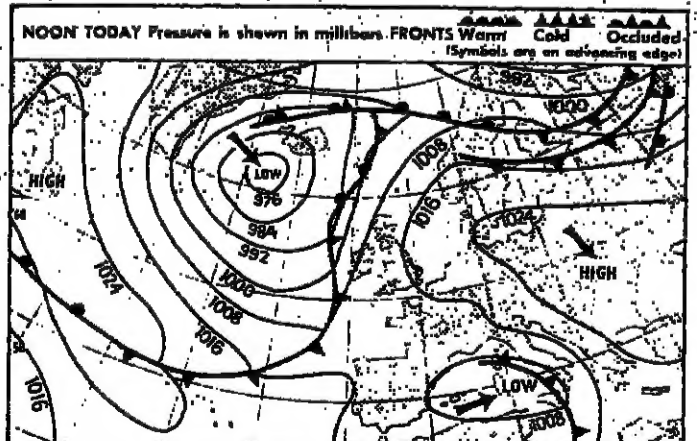
Mr David Crouch, Conservative MP for Canterbury, urged government intervention before there was even greater disturbance in the economy.

He was not advocating a climb-down by the Government, but a slow-down, perhaps on the redundancies that were being required. Another Tory MP, Mr Kenneth Lewis, (Rutland and Stamford), said it was useless for the Government to say they had no responsibility in this matter. You could not have a minister one day saying there was no responsibility and the next day a minister saying that an industrial strike was nothing to do with him.

With Mr Callaghan and Mrs Thatcher on their respective front benches, Sir Keith told the House that it was neither kind nor sensible to buy peace with the tax-payers' money.

Parliamentary report, page 6

## Weather forecast and recordings



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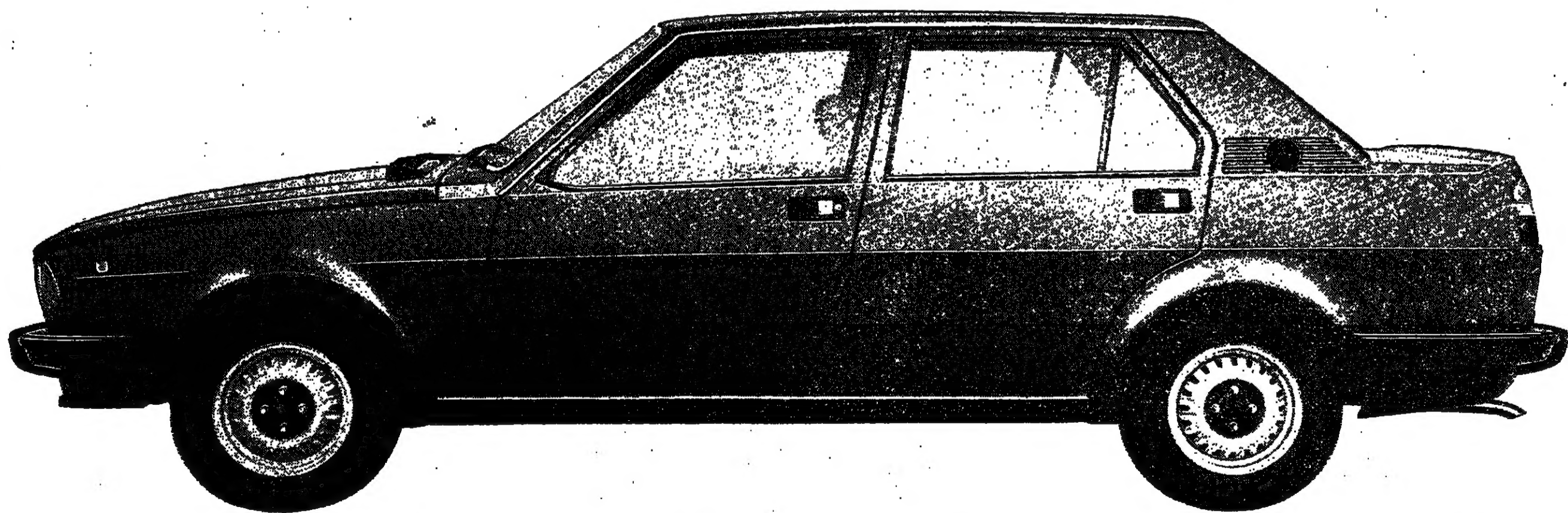
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## HOME NEWS

## New immigration rules breach Convention, Lord Scarman says

By Our Home Affairs Correspondent

Certain of the Government's proposed new immigration rules could be said to offend articles of the European Convention on Human Rights, Lord Scarman told members of the Home Affairs Select Committee of the House of Commons yesterday.

One might accept as legitimate, he said, that the purpose of the policy was to restrict primary immigration. But the individual effect of that policy if carried out would be that some women settled in the United Kingdom would be less well placed in regard to their family life than others.

That was discrimination and could be said prima facie to offend Article 14. That article, he said, stated there was to be no discrimination on a whole number of grounds, such as sex, race, colour or religion.

Lord Scarman was giving evidence to the select committee's subcommittee on race relations and immigration. He told MPs he would have thought that the risk that would be run by the Government when it rules came into force was that the ends did not justify those means and those means discriminated against certain women settled in the United Kingdom.

When one saw the nature of the prohibition imposed on certain women in regard to their husbands and their fiancés it was very difficult to explain that, save in the terms of the policy to control primary immigration.

"Then one says, is it necessary to impose those means to that policy? The answer that the court would be likely to give, to my mind, would be: 'No, it is not'."

Lord Scarman referred to the Government's proposed restrictions to be imposed if parties to the Convention had not met. Why it should be thought that provision added anything to the policy of controlling primary immigration he did not know.

"It seems to me to be an attack on the habits and social customs of people who have come to this country and are living in accord with the customs in which they were brought up."

He described proposals about sex as "a nasty little provision".

Mr Anthony Lester, QC, told the subcommittee that the official estimate was that the effect of the Government's proposals would be to reduce recent levels of immigration by about 3,000 or 4,000 a year.

In his evidence he told MPs: "The Government's proposals about the incompatibility of these proposals with the rights and freedoms guaranteed by the Convention, then one further effect of these proposals will be a series of international decisions and judgments which will tarnish our national reputation among the free democracies of the world."

## 'Larger study needed on black scholars'

By a Staff Reporter

The Commission for Racial Equality said yesterday that newly published research showing that West Indian children do better in school in later years than their English classmates should not be taken as a national scale as the sample used was small.

Mr Ivor Cooke, the commission's information officer, said: "We welcome this research because previously it has been assumed that black children are under-achievers at school, and this shows that to be invalid."

But the research, by Dr Geoffrey Driver, a research fellow at Leeds University, was based on a very small sample, Mr Cooke said. It did not take sufficient account of factors such as teachers' experience, school curriculum, school ethos, the ethnic composition of the local community and whether it was rural or urban.

The commission, which sponsored the study, published in this week's *New Society*, was going to publish the research as an important piece of work. "But it is not a complete piece of work and cannot be projected nationally. A larger study needs to be done," Mr Cooke said.

Dr Driver's study was based on the examination results at

16-plus of 2,300 pupils between 1975 and 1978 at five secondary schools: two in the north of England, two in the Midlands, and one in the Home Counties.

He says that it dispels the accepted notion that West Indian children do not do as well at school as they could, and comes up with a new pecking order of achievement: West Indian girls, then English boys, West Indian boys and English girls.

His conclusions were welcomed by teachers' associations yesterday. The 260,000-member National Union of Teachers said the research was the first to have concentrated on the later years at school. "We welcome it because it also helps to correct myths about group performance and stereotypes," Miss Toni Griffiths said.

The same view came from the 90,000-member Assistant Masters and Mistresses Association. Mr Peter Smith, assistant secretary, said: "The research does not surprise me. West Indian parents are only too well aware of the importance of their children succeeding educationally."

The public had tended to seize on the myth that West Indian children did not do well, he said. "Anything that makes people see the real situation is always welcome."

## Steaming back

Five steam locomotives from scrap yards in South Wales and Greece are to be brought and restored at a cost of £190,000 to go back into service on the "Watercress Line" run by railway enthusiasts in Hampshire.

## £13m airport plan

The East Midlands Airport Authority will spend £13.3m on airport development between 1980 and 1984, it announced yesterday.

## Breakaway Unionist forms new party

From Christopher Thomas Belfast

Deep divisions among Northern Ireland's "loyalist" leaders were sharply emphasized yesterday by the launching of a new Unionist party under the leadership of Mr James Kilfedder, Independent MP for Down, North.

Mr Kilfedder, who resigned from the Official Unionists about a year ago in an acrimonious atmosphere resulting from long-standing differences with the party leadership, launched a strong attack on his former colleagues. He also had harsh words for the Democratic Unionists.

His Ulster Progressive Party has started without proper premises and only a tiny membership, but has ambitious plans for fighting the local elections. The cornerstone of its policy are family encouragement, maintenance of the Union; stronger measures against the IRA; restoration of a devolved government and parliament.

It also stands for proportional representation and the introduction of a Bill of Rights. In essence, however, nothing was said yesterday that marked it out as significantly different from the other Unionist groups on the fundamental issues dividing Ulster.

In a reference to the possibility of an independent Ulster, Mr Kilfedder said: "I am not prepared in case Ulster is ever betrayed by the English politicians and English civil servants and forced out of the United Kingdom. Then, and only in this eventuality, we must be able, confident, to stand alone."

He was critical of the Official Unionists for boycotting the constitutional conference, which had allowed the Rev Ian Paisley to speak as though he represented all Unionists.

The party would fight to create an Ulster identity, so that people would regard themselves as Ulster people rather than as Protestants or Catholics. He was against religious segregation in schools and teacher training colleges. "Let people hang on to their religious, cultural and political differences so long as the intention is to see who can contribute most to the good of the community and its standing in the world."

Divisive move: The Government yesterday announced a £7.5m plan to improve the Divis flats complex in Belfast and demolish two of the blocks. One of the most depressed housing complexes in the United Kingdom, the development has a record of violence and vandalism that is probably unique.

The Government's plans envisage construction of new houses in the Lower Falls area, but it is likely to be some years before the first Divis residents move out.

## Bath launches £33,000 appeal

The historic Pump Room at Bath is threatened by collapse. The city's appeal for £33,000 is appealing for £33,000. The stability of the building cannot be guaranteed beyond 18 months.

The columns of the south wall of the Pump Room rest on gravel, which is gradually being washed away. That was discovered during recent excavations beneath the King's Bath.

## Civil defence-3: Britain is lagging badly behind most of the rest of Western Europe Russia believes evacuation is still the best protection

By Peter Evans

Home Affairs Correspondent. The Russians stepped up building civil defence shelters in the 1970s; but as long ago as the 1950s all plans for new buildings needed the approval of local defence authorities, and all industrial or large buildings were required to be equipped with shelters.

The new drive began after the appointment in 1973 of General A. T. Alunin as Russia's chief of civil defence. According to Mr John F. Wallace, former director of plans and analysis for emergency planning in Canada, General Alunin's aim is to provide a shelter for every person, though the general believes evacuation is still the best protection in the event of war.

General Alunin said in the October 1976 issue of *Voprosy Znanosti*, a monthly publication of the Soviet civil defence, that, regardless of increasing concern in the West over the Soviet commitment to civil defence, Russia's programme would continue to expand.

One of General Alunin's first tasks was to introduce a "significant proportion" of townspeople on foot in organized columns, using previously planned schedules and routes.

Shelter plans are contained in the massive 1973 (327 pages) Russian manual in translation *Civil Defence* and were analysed in the Canadian *Emergency Planning Digest* (Jan/Feb 1978) by Professor Leon Gouvé, director of Soviet studies at the Centre for Advanced Studies in International Studies at Miami University.

## Leaders in clash over pension rise

By Our Social Services Correspondent

The disclosure that the latest earnings figures were higher than assumed when the Government fixed the last rise in pensions caused angry exchanges between Mr Callaghan, Leader of the Opposition, and the Prime Minister during yesterday's time in the Commons yesterday.

Mr Callaghan asked whether Mr Thatcher would raise pensions, but Mrs Thatcher responded that pensions had, in fact, risen by more than just the increase in prices.

Mr Callaghan accused the Prime Minister of either misunderstanding, or giving a "damn bad answer". The November pension increase had been based on 17.5 per cent for earnings increase, plus the 2 per cent shortfall from the previous year which Mrs Thatcher had promised during the election campaign to make good.

Mrs Thatcher: "I am glad for the confirmation that pensioners go up by 19.5 per cent this year. Against that, during the time the Labour Party was in power, it left out the three or four months' rapid increase in the cost of living from that calculation."

When the pensions increase was announced shortly after the Conservative took office, Mr Patrick Jenkin, Secretary of State for Social Services, said it was based on the expectation that both prices and earnings would rise by 17.5 per cent between November, 1978, and November, 1979.

## Dowager Lady Brabourne's bequests to grandsons

Doreen Lady Brabourne, who died aged 82 in the terrorist bomb attack on the Mountbatten boat last August, left most of her property to three grandsons in a "generation" her will disclosed yesterday. One of them, Nicholas Knatchbull, aged 14, died in the bombing, which also killed his grandfather, Lord Mountbatten of Burma.

Lady Brabourne, who left £50,226 (£53,544 gross), asked that her property, Waddenhall, in the village of Stelling Minnis, Kent, should go equally to Nicholas and his twin brother Timothy Knatchbull, now aged 15, or the survivor. The residue of her property, including some in Jamaica, she left to one of

their elder brothers, Michael Knatchbull.

She said in her will that she wanted to put on record that "much as I have to leave everything I have to my beloved son and daughter-in-law, I realize to my sorrow that it is only common sense in this day and age" to do as she did.

She added: "After full consultation with them I am most happy to do so as to provide as far as I can for the coming generations upon whom so much will depend."

Nicholas Knatchbull, who made no will, left £774,986 (£776,212 gross), it was disclosed last week.

Other wills page 16

## Life jail sentence on man who named 100 others

George Bradshaw, whose assistance the police said had been "invaluable", was sentenced to the Central Criminal Court for the murder of Alfredo Zomporelli.

Det Chief Supt Robert Wilson said Mr Bradshaw had put himself in extreme danger. Mr Zomporelli was said to have been the victim of a £1,000 revenge murder after he was released from prison.

Mr Bradshaw, aged 37, admitted to being one of two men involved in the shooting of Mr Zomporelli at the Golden Goose amusement arcade, Old Compton Street, Soho, London, in 1974.

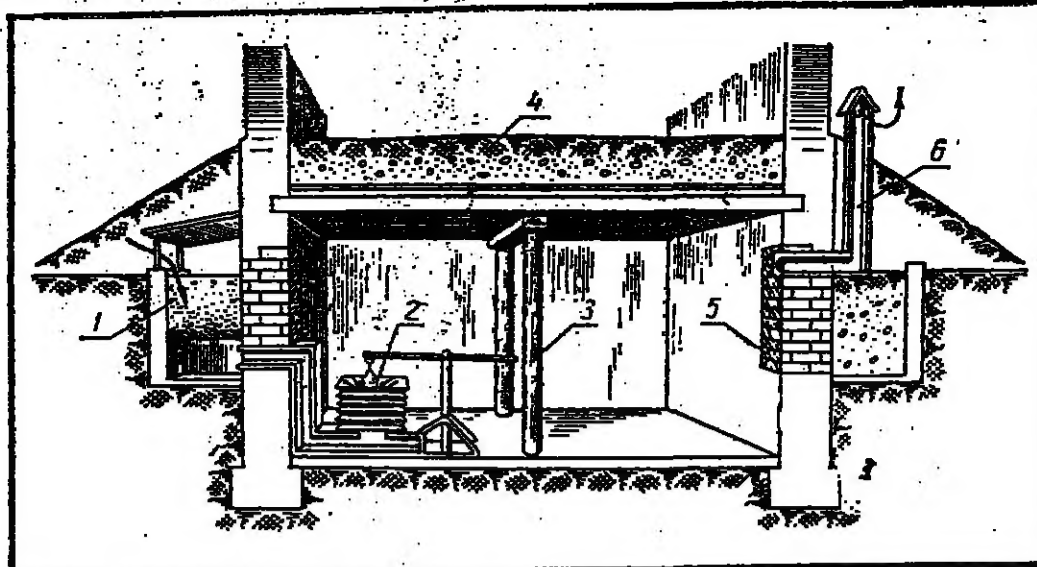
Mr Justice Conyn was told that Mr Bradshaw, a former trainee accountant, had confessed to the murder and scores of other crimes, had informed on more than 100 dangerous and violent men, and was now being closely guarded by the police.

He had confessed to robberies and implicated other men in further robberies in which the total haul was more than £750,000, the judge was told.

Mr Richard Du Cann, QC, for the prosecution, said: "The assistance given by the defendant towards solving serious and organized crime can only be described as invaluable."

Mr Bradshaw pleaded guilty to murdering Mr Zomporelli, arson at the Directors' Club, Drummond Street, Camden, between June 8 and 11, 1976; robbing Michael North of £10,000 on January 21, 1976; robbing Edward Rootes of £25,000 on June 9, 1976; and wounding David Cahill on August 19, 1974, with intent to cause him grievous bodily harm. He asked for a further 10 offences to be taken into consideration.

Mr Du Cann said Mr Bradshaw was sentenced to 10 years' imprisonment for robberies and using a firearm with intent to resist arrest. Counsel added: "It was while he was serving that term imprisonment that he was involved. Mr Du Cann continued: "One fired the .38 while the other acted as guard for the murderer. He was armed with a .22, which was discharged by accident. Both men walked out of the arcade



A Russian nuclear shelter in a cellar: 1, sand filter; 2, bellows for air intake; 3, ceiling support; 4, roof fill; 5, window seal; 6, exhaust box.

He said the scheme includes building extra-bunkers, multi-storey underground bunkers for government and military command posts and to protect the elite; multi-storey basements or large detached shelters for "production facilities" for defence-related industries and for party, government and military headquarters; basement and detached shelters to protect workers in industry, public buildings, schools, and institutes and blast shelters in cities and various types of simple fallout shelters in the country.

Czechoslovakia, for civil defence purposes, is divided into 10 districts, each with about 140 local organisations. They are linked with the Federation for Cooperation with the Army, Education and Billeting plans are supposed to have been prepared.

In Yugoslavia, the law stipulates that each commune must organize its own civil defence on the principles of self-help. Shelters are provided in new buildings by adapting basements. New shelters are being constructed. Evacuation planning is the responsibility of commune assemblies.

Britain's lack of preparedness contrasts with Mr Wallace's description in *Emergency Planning Digest* (October/December 1978) of measures elsewhere in Western Europe.

In Sweden, all citizens are liable for civil defence duties. Evacuation plans are backed with large public shelters and other shelters for housing estates, offices and industries. More than 50,000 private shelters for five million people are being increased by 250,000 shelters a year.

In Switzerland, all citizens are obliged to serve either in civil defence or in the military. The mandatory civil defence strength is 420,000, including

those who have completed military training.

The aim of the civil defence programme there is to have a shelter for every citizen and there are enough for more than 75 per cent of the population.

Norway also has a shelter policy. Mr J. Nordhaug, Director General of Civil Defence and Emergency Planning said in 1978 when he was also chairman of the Nato Defence Committee, that Norway had 1,700,000.

In France, *Savoir pour Vivre*, published by the Nationale de la Protection Civile, and reprinted in Britain in *The Journal of the Institute of Civil Defence*, gives advice on shelter building and says details of prefabricated ones made by industry can be obtained on request.

In Finland, at time of threat of war, every citizen aged between 16 and 65 is obliged to take part in civil defence. In peacetime, all municipal and state officials and civil servants have to undergo training.

Herr Peter Menke-Gluckert, Germany's former representative in Nato's senior emergency planning committee, said last April that at least 30 per cent of Germans should be provided with shelter, a target which could be met only by compulsory construction over 10 years.

All civil defence advice on both sides of the Iron Curtain share the view that adequate preparation would save millions of lives in the event of nuclear war; but Britain lags badly behind most of the rest of Western Europe.

Next: No evacuation plans.

## No Kelly death inquiry until inquest is held

By a Staff Reporter

The Home Office will make no decision on holding an inquiry into the death of Mr James Kelly while in police custody until the outcome of the inquest is known, Mr William Whitelaw, the Home Secretary, has stated in a letter to Sir Harold Wilson.

Mr Kelly, aged 53, a labourer who lived in Sir Harold's constituency of Huyton, Liverpool, died last June shortly after his arrest by Merseyside police.

Mr Whitelaw was replying to an appeal for an inquiry by Merseyside County Council. He pointed out that the inquest was held in public before a jury, when witnesses can be examined by all interested parties, including Mr Kelly's family.

Mr Kelly's case prompted the Home Office to disclose recently that from January, 1970, to June 1979, there were 28 deaths in police custody. Mr Kelly's family have accused Merseyside police of brutality. But the Director of Public Prosecutions decided that no police officers should be prosecuted over the case.

Mr Justice Conyn said the life sentence would start that day and the 10-year term Mr Bradshaw is now serving would merge with it. He gave Mr Bradshaw five years for the arson offence, and a six-year sentence for each of the two armed robberies to which he pleaded guilty.

The judge said that it was a dramatically exceptional case. He gave Mr Bradshaw four years for wounding Mr Cahill and said he was taking into consideration, without imposing a separate penalty, the massive number of crimes which Mr Bradshaw was asked to have considered.

The judge said that Mr Bradshaw had made a confession of crime, and as a result the police were hopeful of being able to gather in an enormous number of dangerous criminals.

immediately after Zomporelli slumped to the floor.

In his statement to the police, Mr Bradshaw said the killing was undertaken for financial reward to revenge the killing of David Knight.

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## 'Green giant' a bad example, Lord Duncan-Sandys says

By Frances Gibb

The "green giant", the 500 ft high tower block planned for the South Bank of the Thames in London, would be the third of the wedge leading to a "forest of giants", Lord Duncan-Sandys, President of the Civil Trust, said yesterday.

"If we do not call a halt to this proposal now it will set an example for future developments of this kind and it will be impossible to restrict endless buildings of this nature", he said.

"Here we have a building of monstrous proportions, 500 ft high and a terrifying 260 ft wide, in the wrong place, which will not only do very great damage to views along the Thames but will set an example for future developments."

Lord Duncan-Sandys, who was MP for Lambeth for nearly 40 years, was addressing a meeting at Westminster Hall chaired by Sir Stuart Holland, Labour MP for Vauxhall, Lambeth, on the proposal by European Ferries, the property and shipping group, for the tower block of flats and offices opposite the Tate Gallery.

He was not against the architectural design of the building, which he considered "rather fine", but its position. He had been responsible for

bringing in the Civic Amenities Act in the late 1960s, which introduced the idea of preserving areas as well as individual buildings.

The building, "fantastically around it", should be considered in context, he said. Planned at a cost of £40m, it is the subject of a public inquiry at Lambeth town hall, continuing next week.

It would have some 370,000 square feet of offices and 100,000 sq ft of flats. It has earned the nickname "green giant" because it is to be made of tinted glass.

Groups opposing it at the meeting included Heritage in Danger, The Turner Society, the River Thames Society, the Westminster Society and the Friends of Chelsea.

Other opponents include Sir John Benjamin, Mr Richard Allford, deputy secretary general of the Arts Council, the Royal Society of Arts, the Royal Fine-Arts Commission and Professor Peter Lasko, director of the Courtauld Institute.

Meanwhile MPS from both sides of the House are rallying to oppose the scheme. Mr Holland put down a question yesterday to Mr Norman St John Stevas, Leader of the Commons, urging members to consider

putting evidence to the public inquiry as "this monstrous" will be visible from the Houses of Parliament.

Mr Holland called the proposal a speculative office development without adequate social or economic justification.

"Either the office space will be let, in which case it will draw office use from other areas at a time when there is going to be a least demand for office workers because of micro and word processors, or it will remain an unfilled white elephant."

Mr Patrick Cormack, Conservative MP for Staffordshire, South-west, who said the building was a "disastrous intrusion" which anyone who loved London should fight, is to reintroduce his "skyline Bill" to protect the views of London.

There is also opposition to the block from the Greater London Council, which says it is too high, and Lambeth Borough Council, which is against "the slab effect" of the building.

It would block sunlight from a large area, and cause shadows about half a mile long at 4 pm, the council says. It would destroy views from other parts of London and be visible from as far away as Kent.

Letters, page 15

## Counties preparing for a battle over green belt

By John Young

Planning Reporter. County Councils in the South-east are preparing to oppose the Government over its refusal to extend the metropolitan green belt around London and its insistence that they zone more land for possible development.

Feelings are running particularly high in Berkshire, where the county is convinced of the need to maintain an undeveloped corridor east of Windsor and Maidenhead, not least because of the continuing growth of the airport and the industries that serve it.

Councillors are also incensed at what they regard as a peremptory and premature demand by Mr Michael Heseltine, Secretary of State for the Environment, that they release an extra 1,000 acres for housing in the central region of the county.

That they say, will make it harder to present Reading, Wokingham and Bracknell from coalescing into a single urban sprawl. They maintain that there is already enough land in the county with planning permission for future needs.

Mr Heseltine, however, has insisted that the statutory green belt should be confined to within a radius of between 12 and 15 miles from London, although he has sanctioned further restrictions along the A1 "corridor", embracing Stevenage, Hitchin, Letchworth and Baldock.

Surrey County Council's planning committee has expressed concern at the pressures likely to be imposed on rural areas of the county not covered by the green belt. The Department of the Environment has suggested that it should make provision for some 12,000 to 13,000 new homes in the next decade, but the county's planners are troubled about how and where the land is to be allocated.

The Government is clearly anxious to avoid further confrontation with local authorities dominated by members of its own party, with whom it is already at odds on several other issues. But it believes that structure plans are being used to discourage further development in the home counties, with questionable motives.

Mr Heseltine has emphasized that he strongly supports the retention of the green belt, but he opposes its extension to cover white counties like Surrey and Hertfordshire. He regards suggestions that he is cutting in to increase statutory provision "the green belt by declaration as gross misrepresentation."

Auction prices rise more than 20% since Christmas

By Geraldine Norman. Sale Room Correspondent. Christie's yesterday held the first sale of the year at their main King Street, London, devoted to English furniture. Devoted to English furniture, the sale totalled £127,670, with 4 per cent unsold.

The auctioneer, Mr Anthony Coleridge, said that prices seemed to be up 20 to 30 per cent since before Christmas. "I suppose it may have something to do with the rush for gold and silver", he added.

Most of the purchasers were English dealers, but even at this early season sale there were some Italian buyers, a Spaniard and an Arab. The sale totalled £127,670, with 4 per cent unsold.

Works of Swiss interest have been much in demand for some time and five volumes (three text and two plates) of Laborde and Zurlauben's *Tableaux de la Suisse*, of 1780-86, made £12,500 (estimate £4,500) to Hammond.

A manuscript description of Hertfordshire by John Nodden dated 1897 and a deed of Countess of Warwick, 56 pages in all, sold to Burgess at £6,200 (estimate £1,500).



## Brian Johnston says "Come down Hetty's Way"

"I would like you to hear about a slice of life you may never have seen. Hetty is typical. She's a 78-year-old widow, with no relatives near at hand. She lives alone. Broadcasts, mine among them, are the only human voices that ever come into her dismal room. For no-one comes to see her, month after month.

"The loneliness gets me down", she says, "the rest... well, I manage. I just long to meet people, to hear their shopping, to have a bit of conversation, to speak to anyone, and you know how busy they all are. It's like being half dead before your time."

"I get plenty of sad letters from desperately lonely old listeners like Hetty. Yet there is a simple answer that brings companionship and friendly help to such old folk at low cost. Please give it your helping hand."

£5 is a real help towards another centre. £30 helps provide a Geriatric Day Hospital. £150 inscribes a name of someone dear to you on the Dedication Plaque of a Day Centre.

Your donation is desperately needed to help old people. So please use the FREEPOST facility and address your gift to: Hon. Treasurer, The Rt. Hon. Lord Maybray-King, Help the Aged, Room T2, FREEPOST 30, London W1E 7JZ. (No stamp needed.)

Please let us know if you would like your gift used for a particular purpose.

كزامن التحصيل



## HOME NEWS

Nuclear power delay  
'would mean loss  
of essential energy'By Pearce Wright  
Science Editor

An essential source of energy supply would be lost if the development of nuclear power was subjected to continued interruption and undue delay, it is believed by 14 eminent politicians, economists and scientists who are signatories to a report published yesterday.

The document, issued jointly by the Royal Institute of International Affairs, London, and the Rockefeller Foundation, New York, says: "The question is not whether the civil use of nuclear energy entails risks. It does."

"Every stage of the fuel cycle, from uranium mining to waste disposal, carries risks to those who engage in it and to the community at large."

The report says that the questions to be answered differ from other activities connected with the supply of energy such as mining, transporting and burning coal, carrying liquid gas, establishing large hydroelectric dams or constructing large solar power installations.

For example, are nuclear facilities designed and operated with due regard for the public interest? Do national institutions provide adequate information about nuclear and other risks and the means of containing them?

Can nuclear risks and the risks of providing energy by other means be assessed accurately enough to compare them fairly with each other? How should nuclear risks be weighed against the alternative risks associated with the limits on future energy supply?

Accusations that nuclear power leads necessarily toward authoritarian state control are regarded as difficult allegations to answer. But the authors of the report of the International Consultative Group on Nuclear Energy say that it must be shown in practice that the

central controls needed to protect the public interest can be combined with responsiveness and accountability.

Since uranium, like petroleum, is a finite source, ways of using uranium more efficiently must be developed without delay. That includes making better use of nuclear fuels in existing types of reactors and of demonstrating the longer-term feasibility of fast breeder reactors.

But that depends on striking a bargain of confidence over nuclear power that the signatories of this report believe is missing in many of the countries of the industrialized world.

One of the anxieties uppermost, in their view, is the potential proliferation of weapons from expansion of nuclear power. They believe that can be contained and that the procedures should be made clear for public satisfaction.

Another side to that coin is considered among countries which look to nuclear power as an energy source, but which remain to be convinced that the super powers controlling the long term access to equipment, services and materials.

Waste storage study: Four new areas have been chosen by the Government for study as possible places for underground storage of long-lived nuclear wastes.

There are three areas in England and one in Wales: central and north-west Somerset; south-east Hereford and Worcester; north Gloucestershire; and south Nottinghamshire and south Gwynedd and north-west Powys.

It is expected that it will take 10 years to establish the most suitable sites for waste disposal.

Experts "horrified": Experts at the National Centre for Alternative Technology said yesterday that they were "horrified" at suggestions that nuclear waste should be dumped on their doorstep.



The Duke and Duchess of Westminster with their first child, Lady Tamara Katharina Grosvenor, at Eaton Hall, Chester.

## Disabled urged to stage street protests against cuts

By Pat Healy  
Social Services Correspondent

Disabled people and their supporters were urged yesterday to march in the streets, on Parliament and to 10 Downing Street to fight for the full implementation of the new threatened Chronically Sick and Disabled Persons Act.

Mr Jack Ashley, Labour MP for Stoke-on-Trent, South, told a conference in London that it was time to mobilize to stop government and local authorities cutting services for disabled people.

The conference was called by disability and poverty bodies who are concerned that the Act will be weakened by the cuts and attempts by the Association of County Councils to persuade the Government to reduce it from a mandatory to a permissive piece of legislation.

Mr Ashley pointed out that despite the lack of enforcement powers there might be a way for disabled people to ensure that they kept their essential services.

Mr Patrick Jenkins, Secretary of State for Social Services, had agreed that it was illegal to withdraw services provided under the Act in the absence of a reduction in need.

"If the charge is increased beyond the means of disabled people to pay for it, then in effect that service has been withdrawn", Mr Ashley said.

Mr John Hamman, Conservative MP for Exeter and secretary of the all-party disability group, said the county council's "retrograde" proposal that the statutory obligations should be dropped was "most disturbing".

The conference adopted a declaration expressing grave concern that "the Act is being undermined both directly and indirectly as national and local government plan and implement financial cutbacks."

Prisoner sues Home  
Office over control unit

By Annabel Ferriman

The Home Office is to be sued in the High Court by a prisoner who is claiming that his detention in a "control unit" at Wakefield prison in 1974 was unlawful.

Mr Michael Williams is alleging that the unit's regime, under which prisoners were kept in solitary confinement for 90 days at a time, was illegal under rule 43 of the Prison Rules, 1964. The rule lays down that a prisoner in solitary confinement must have his position reviewed every month.

Mr Williams is also claiming that his detention in the unit for 180 days was unlawful because he had not been accused of any specified disciplinary offence and had not been given any chance to appeal against his detention.

He is suing for exemplary damages for false imprisonment, claiming that he suffered mental stress, anxiety, fear, unhappiness, damage and loss.

The control units, introduced at Wakefield prison in 1974, were abolished less than a year later after an outcry from civil libertarians, the Howard League for Penal Reform and the National Association for the Care and Resettlement of Offenders.

According to a confidential memorandum sent from the Home Office to prison governors which was published in 1975, they were to be used as behaviour modification experiments in which the prisoner would go into a specially designed unit and, isolated from other prisoners, start a regime

in two stages. Each stage would last 90 days.

If at any time the prisoner failed to show the required behavioural changes, he would start again at the beginning of stage one. The Association of Prison Governors asked the May committee on prisons to reestablish the units.

The case of Mr Williams, who is still in prison in Maidstone, is due to be heard on February 25. Yesterday the National Council for Civil Liberties appealed to a judge in Chambers for disclosure of certain Home Office documents.

Mr William Whitelaw, the Home Secretary, is claiming that they are covered by ministerial privilege. The judge's decision was reserved.

Miss Harriet Harman, the council's legal officer, said "The case is important because if it succeeds it will establish that prison rules are enforceable by law."

"In the United States and Canada there is now a well established principle that what goes on in prisons is subject to the authority of the courts."

Two other prisoners, Mr Michael McMullen and Mr John Morrison, who were in control units at Wakefield prison, are also suing the Home Office.

A date is expected to be announced soon for the case of the Commission for Racial Equality against the Home Office. The commission wants to conduct a formal investigation into the Home Office immigration procedures and is going to court to establish its right to do so.

Atomic leak  
found  
by 'psychic'  
woman

A housewife who claims to be psychic is being offered the freedom of Hinkley Point nuclear power station in Somerset to test for radiation leaks after impressing engineers with her powers.

Last year Mrs Phyllis White, of Burdham-on-Sea, said there was a radiation leak at the power station near her home months before its discovery was announced. Radioactive waste water leaked on to the beach at the nuclear plant at Easter through cracks in an underground drain. Mrs White discovered the leak with a water divining device.

"My psychic powers told me there was a leak of radioactive water somewhere on the plant", she said. "I was proved right in a few months. When I reported it to the nuclear engineers they invited me to the plant to check the pipes for other faults but I was too afraid of getting an overdose of radiation."

"I did offer to check the pipes of the power station using dowsing techniques at my home, but the engineers refused to cooperate."

Mrs White, aged 48, who did research in high altitude cosmic radiation for six years at Bristol University, said she had detected the leak with a copper ball on the end of a thread.

About a month after I informed the local council and the power station they wrote back confirming there had been a leak of radioactive waste on to the beach."

She is also convinced that radiation has been leaking from the nuclear plant's cooling system since cracks were discovered in September.

The health physicist at Hinkley Point, Mr Philip Carter, confirmed that there had been a leak of low-level waste water from the plant last Easter.

"This water comes from handwashing laundry and cleaning. We are allowed to discharge it into the sea once the radiation level has been monitored by outside independent bodies."

Parents of  
dead boys  
dischargedFrom Our Correspondent  
Hull

The parents of three brothers who died in a fire deliberately started at their home were given conditional discharges by Mr F. Ley, the Hull stipendiary magistrate, yesterday for criminal damage during a Christmas Eve confrontation with neighbours.

Thomas and Edith Hastie, both aged 34, now living at an undisclosed address in Hull, admitted breaking windows and doing £45-£50 of damage.

The court was told that the couple returned to their former neighbourhood in Selby Street, Hull, on Christmas Eve and accused people of causing the deaths of their sons, aged 15, 12, and eight.

Mr Michael Rosenburg, for the defence, said Mr and Mrs Hastie had visited their surviving son, aged nine, who was still in hospital, and Mrs Hastie insisted on confronting their former neighbours. She was upset, he said, and her emotions got out of control.

She still believed that someone living in Selby Street caused the deaths of her children.

She had seven children, of whom she was passionately proud and over-protective.

The magistrate said she was taking the exceptional course of the circumstances, but the Hasties would have to pay compensation and fines of £1 each for failing to surrender to their bail for a previous hearing.

Mrs Hastie was also fined a nominal £1 on each of two conditional discharges she was given last August for criminal damage.

## Miner killed

Mr Gerald Forbes, aged 19, a miner, of Grange Road, Cannock, was killed by a mine car in Lea Hall colliery, Rugeley, Staffordshire, yesterday. The coal board is investigating the accident.

Drug safety testing  
'could halt research'By John Roper  
Health Services Correspondent

A warning that research to produce new medicines might cease if the trend towards ever more tests before their use was not stopped was given yesterday by Mr David Smart, president of the Association of the British Pharmaceutical Industry.

In spite of the exhaustive testing programmes that were, quite properly, the accepted rule, there would be no such thing as absolute safety in modern medicines, which were highly active and effective compounds, he said.

The time had come to recognize that no additional expenditure of time or money would ever guarantee total freedom from hazard.

Mr Smart, speaking at a London press conference marking the opening of the celebration of the fiftieth anniversary of the association, said there was a danger that the industry could be forced into a position where it would be impossible to recover the costs of tests which sought to establish the unattainable.

In Britain it could take up to 15 years and about £25m before a new drug could be marketed. The time when all the data were ready, there could be six months when nothing happened before clinical trials could begin.

In the United States they suffered from the so-called

"therapeutic lag", which meant that many patients were denied new life-saving medicines because approval awaited yet more testing on animals, although the drug had been used on millions of human patients in other countries.

Dr Richard Arnold, director of the association, foresaw an early reappraisal of the burden of safety testing and what was necessary to establish that a new medicine was reasonably safe for its intended use.

He thought the increasing data requirement at clinical testing and the marketing stage might be checked. He hoped there could be even a slight relaxation, especially in clinical trial certificate requirements, without any effective increase in risk for the patient.

Given that easing of requirements, he believed important advances including more highly effective and safe vaccines and antiviral drugs, were in prospect.

Progress of drug therapy in the cancer field was likely to be steady rather than dramatic, with increasing use of combinations of drugs.

Developments were expected in the treatment and prevention of pain, and progress in improving delivery systems so that active drugs went to the exact site where they were needed, in the right concentration and for the appropriate period.

## Schoolboy tricked banks

From Our Correspondent  
Brighton

A schoolboy aged 15 tricked banks into paying him more than £3,500 for worthless notes, it was alleged at Brighton juvenile court yesterday.

Police Sergeant John Ainsley said the boy found a pile of Brazilian bank notes in the attic of his home. At first he used them as "toy money" to play cards with his father. Then he visited banks in Sussex, Surrey and Kent, and exchanged them for pounds.

Unsuspecting cashiers gave him £1 for every 84 Brazilian cruzeiros without checking. The notes were withdrawn from circulation four years ago.

The banks became so concerned as the offences continued that for a time they stopped all dealing in South American currencies.

The boy, who admitted 19 offences of stealing £3,549 and attempting to steal from banks with the worthless notes, was remanded on bail for three weeks for reports.

Court challenge to Hillingdon's policy  
on housing of overseas arrivalsBy Our Home Affairs  
Correspondent

Two families who arrived at Heathrow Airport and were refused housing accommodation by Hillingdon Council, have taken the council to court in an attempt to have the decisions reversed.

Recently, after an acrimonious exchange with the Commission for Racial Equality, the council decided that the Housing (Homeless Persons) Act does not give rights to accommodation to certain of the arrivals from overseas.

In both cases, which are the first challenges to the council's new policy, applicants sought an injunction in the High Court to compel the council to provide accommodation for them until the hearing of the cases.

One of the applications, in respect of a man, his wife and three children, who arrived from Cyprus, was refused. He alleges the council's contention that the Act does not apply to him.

The day after their arrival, the family were placed in bed and breakfast accommodation by the council at a cost so far of £1,974.

But the council argues that even if the Act did apply to him it would be relieved of obligations because he had accommodation in Cyprus, the council says, and came to this country of his own volition.

The council has told the family that it will keep the bed and breakfast accommodation available for 14 days so as to enable them to find an alternative home.

In the second case, which concerns an Ethiopian widow of a British citizen and her son, an injunction was granted. The council says it does not suggest that homelessness in this case was self-induced. Had the woman not been an overseas arrival with no previous connection with this country, the council would have been obliged to rehouse her.

She and her son were placed in bed and breakfast accommodation on June 5, which has cost £1,500. The council was asked to house her until the Divisional Court hearing, which at that time, court officials assumed, would not take place for about nine months, and that would have cost the council about £2,000.

The council says it therefore had no alternative but to decline and invited the applicant to seek an injunction. It is to apply to the Divisional Court next week, requesting an early date for the hearing. Even if the application is granted, the council says, it is unlikely that the hearing will take place before March, costing it a further £500 in accommodation charges.

Meanwhile the council says it is continuing its campaign for changes in legislation to relieve it of the burden caused by Heathrow airport being in the borough. Council officers have made their views known to the Department of the Environment and the Association of Metropolitan Authorities.

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## PARLIAMENT, January 17, 1980

# Neither kind nor sensible to buy peace in the steel industry regardless of economic reality

House of Commons

British unions in general tended to demand and extract from employers something for nothing. Sir Keith Joseph, Secretary of State for Industry said in opening a debate on the steel industry.

He said that people in this country were in relative economic decline. It was not because of any lack of talent in this country, nor because the country was uncompetitive. Many manufacturers were world leaders. Invisibles, the City, agriculture, were in general excellent, but the performance of many was offset by the bad performance of some and the country's average was less than that of her rivals. That was why the country was in relative economic decline.

Governments must take much of the blame. The country had relatively low pay, pensions, and inadequate public services because too many people had been encouraged by Government to ignore the economic reality, jobs, earnings and the public spending made by them.

Unions, to obtain higher pay, tended to threaten private employers with bankruptcy and public employers, nationalised or state, with disrupting and damaging the public services.

What British unions in general tend to demand and extract from employers is all too often something for nothing. A demand for higher pay without a readiness to cooperate in financing that higher pay by higher productivity.

Employers, including the Government when it was involved, had tended to give way under the pressure of such demands.

We have (he continued) largely because of a widespread something for nothing attitude lost competitiveness, lost jobs and lost the better pay, pensions and public services which we could have had.

All non-often peace had been bought at the cost of jobs, pay and pensions. The steel industry was a classic example of several aspects of British industry. The background was nationalised, centralised, decision making.

Mr John Silkin, Opposition spokesman on industry, said that since the dispute between management and the one hand and the unions on the other, it was a dispute between the Government and the industry.

The whole of the dispute arose from one major decision—the decision of Sir Keith Joseph that there would be no fresh support for the steel industry and that it must break even, starting in March, 1980.

He agreed that they had to improve productivity. Sir Keith Joseph said that since the agreement of January 23, 1976, nothing much had happened, but the union had been able to cut its manpower cut by 35,000.

Sir Keith was impatient in saying to these men who had accepted appalling redundancies that they were not playing their part. The unions agreed that there should be better productivity. The difference between them and Sir Keith was that better productivity did not necessarily mean contraction of the industry. That was what Sir Keith was after.

They should not be aiming for contraction, but aiming for a steel industry in the context of a general expansion. Last year, the demand for steel was 17 million tonnes. It was a deliberate requirement of government that steel production should be contracted in 15 million tonnes.

BSC management, successive governments, and the steel industry itself, had been pursuing a too ambitious expansion plan. The last Government postponed the necessary closure so that what could have been earlier but fewer redundancies at a time when there were more other jobs available had built up to a larger number of redundancies at a time when there were fewer other jobs available.

He understood and sympathised with the steelworkers. He had made it known to Mr Silkin he was willing to negotiate with BSC. But any negotiating was for BSC and the union.

Steelworkers had an optimistic steel management and now they saw what might seem a pessimistic one.

The truth was that demand had fallen. The British economy had been pretty stagnant. The big steel users had declined. British steel prices had been and were high and the steel quality was not universally good. There was no demand. Demand had fallen but BSC produced to keep a substantial reserve of spare capacity to meet increased demand when it came.

He sympathised with the steelworkers (he said) but it is not sensible for them to insist upon steel prices that would not be met by the market. It is not sensible for them to insist upon steel prices that would not be met by the market.

BSC's original offer was not 2 per cent as widely quoted, it was 12 per cent. The previous year, it was 10 per cent. The offer was 12 per cent as widely quoted, it was 12 per cent. The previous year, it was 10 per cent.

There is a large increase in productivity to be obtained, and BSC could offer to pay at least 12 per cent more than the market. The workers to look at the prospect. They are good. Look at the equipment. It is now as good as new.

They want the 8 per cent without strings and the 5 per cent as an advanced payment against the 12 per cent. This is not a matter of 12 per cent against 13 per cent. The BSC offer, with the extra money, would be 13 per cent.

This is important on two counts. First, it really is not reasonable to ask taxpayers and all workers including the lower paid are taxpayers. The steel industry is a public service which we could have had.

The second reason is that steel is an industry which is a public service. Customers have a very wide choice. They will not necessarily buy British. Every year that steelworkers defer becoming competitive, they are making a mistake.

Mr Kenneth Lewis (Rutland and Stamford, C) said it was useless for the Government to say that it had no responsibility in this matter. The Government was providing the steel industry with a large capital sum for the steel industry. The industry could no longer be dependent on public help.

Following a letter from Mr Silkin to the Prime Minister the Secretary of State would be seeing him and Mr Smith, leader of the blast furnaces' union. Sir Keith Joseph was prepared to respond to the approach from the union leaders.

The meeting will take place in the afternoon. It is a negotiating session. Negotiations must remain the responsibility of the two parties to the dispute.

The motion for a debate on the steel industry was carried by 213 votes to 238.

## Labour MPs angry at decision on Chile

Britain is to restore normal diplomatic relations with Chile, Mr Nicholas Ridley, Minister of State for Foreign and Commonwealth Affairs, announced amid protest from Labour MPs.

Mr Ridley (Gloucestershire and Tewkesbury, C) said over 100 Labour MPs have been considering all aspects of our relations with Chile. We have now decided that we should restore our relations with Chile to the normal diplomatic level, in line with those of our major allies.

It was therefore, after discussion with the Chilean Government, restoring normal relations. Mr David Winnick (Walsall, North, Lab)—This decision shows the total indifference of the Government and the Tory benches at the denial of human rights in Chile.

Mr Ridley—If we were to base exchange of ambassadors upon countries of whose regimes or records on human rights we disapproved, we would have many fewer ambassadors. It is not this Government's policy to select ambassadors on that basis.

Mr Peter Shore, chief Opposition spokesman on Foreign and Commonwealth Affairs (Leicester, North, Lab)—The Human Rights Committee of the General Assembly has declared that human rights in Chile have deteriorated in the past year. The United States has refused to increase its aid to Chile.

Mr Ridley—We have ambassadors in many countries such as Vietnam where there are far worse records on human rights and on other matters. We have a higher level, with greater impact.

Mr James Callaghan, Leader of the Opposition (Cardiff, South East, Lab)—No apology has been made for the torture of Mr Casidy. Mr Ridley—After much pressure on the Government, we have obtained from them a letter setting out their serious concern about Mr Casidy's case.

Mr Ridley—The Chilean Government has accepted the offer of a full investigation. Mr Ridley—The Chilean Government has accepted the offer of a full investigation.

Mr John Cunniffingham, an Opposition spokesman on industry (Whitehaven, Lab), said that even if Labour agreed with everything that the Secretary of State said, which they did not, it was credible against an inflation rate of 17 per cent that any union could have accepted the offer.

It was rubbish to suggest it was ever over. There was either the most grotesque mismanagement of the situation or some other motive in making the offer in the way in which it was made.

Mr Adam Butler, Minister of State for Industry (Bosworth, C) said that this was a strike against the whole country, including steel workers. There could be no winners in this strike.

BSC had been caught up in the steel industry. The industry could no longer be dependent on public help.

Following a letter from Mr Silkin to the Prime Minister the Secretary of State would be seeing him and Mr Smith, leader of the blast furnaces' union. Sir Keith Joseph was prepared to respond to the approach from the union leaders.

The meeting will take place in the afternoon. It is a negotiating session. Negotiations must remain the responsibility of the two parties to the dispute.

## Mrs Thatcher wants Olympics in new venue

The Government favoured moving the Olympic Games away from Moscow to another venue. Mrs Thatcher said: "As we stand at the moment, it should be done by taking concerted action with the British allies in an approach to the International Olympic Committee."

Mrs Thatcher's statement came in reply to a question from Mr Philip Whitehead (Dorset, Lab). She said: "As we stand at the moment, it should be done by taking concerted action with the British allies in an approach to the International Olympic Committee."

Mr Alfred Dubs (Wandsworth, Battersea, South, Lab) said: "During the last election campaign, the Conservative Party pledged to give the party support to be in favour of the family. How can she justify the Government decision to move the Olympics to Moscow?"

Mrs Thatcher—This party is very much in favour of the Olympics. It does not mean automatically asking for every single benefit to be increased. Families have to be protected from inflation.

Labour MPs are always prepared to ask for other people to do something without recognising the fact that the Government's demands upon ourselves.

Mr James Callaghan (Cardiff, South East, Lab)—Figures published by the British Social Security (Mr Jenkins) has expressed about the link between prices and short-term benefits, there should be no decoupling between the price levels and the fixing of short-term benefits on employment, invalidity and sickness benefits.

Mrs Thatcher—Mr Callaghan will remember that pensions went up by more than 17.5 per cent this year. Mr Callaghan—I understand Mrs Thatcher might not have fully understood the question. The pension increase this year was based on the fact that earnings were up by 17.5 per cent.

Mr Peter Raby (Rother Valley, Lab) asked the Minister of Agriculture, Fisheries and Food what was the reason for the increase in the price of milk.

Mr Callaghan—The English wine producer is excluded from the package. We achieve encouragement in the consumption of wine on behalf of our group, indulge in the home making of wine help in the supply of must from European countries.

Mr Robert Atkins (Preston, North, C)—Will the interest of English wine producers be protected by the EEC member states and by the three applicant states in 1979, what was the expected volume of production in five years?

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## Leaders clash over pension promises

Now that the Conservatives have won the election, the Prime Minister should not renege on her pension promises. Mr James Callaghan, Leader of the Opposition, said during questions to Mrs Thatcher.

Mr Alfred Dubs (Wandsworth, Battersea, South, Lab) said: "During the last election campaign, the Conservative Party pledged to give the party support to be in favour of the family. How can she justify the Government decision to move the Olympics to Moscow?"

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## No state finance given to games appeal fund

Mr Tony Marlow (Northampton, North, C) asked the Secretary of State for the Environment to provide support from public funds in connection with British participation in the next Olympic Games and the estimated amount of that support.

Mr Hector Monro, Minister with responsibility for sport, said in a written reply: The Sports Council and the Sports Council for Wales, Scotland, Wales and Northern Ireland are the only bodies through which financial support from public funds would be given to the Games.

Mr Marlow—The Sports Council does, of course, consider requests from the Sports Council for Wales, Scotland, Wales and Northern Ireland for time to time. The last occasion was March, 1978, when £45,000 was given. No further request is likely to be made before the next Olympic Games.

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## Code soon on disposal of pesticide waste

The report focused attention in particular on the growing use of pesticides and nitrogen fertilizers and the trend towards more intensive farming of livestock. The report also pointed out that the scale of pesticide usage and the risk that excessive use could encourage the emergence of resistant strains of pests. It made recommendations intended to bring about a more questioning approach to pesticide use, to discourage the use of pesticides, and to encourage the development of a professional attitude to pesticide application.

The implication of the large increase in the usage of nitrogen fertilizers was also examined by the royal commission. There was no doubt that that development had made some contribution to the rise in nitrate levels in water, particularly in arable areas, but the royal commission thought that on present information there was no need to publicise the problem. Further studies on nitrates were recommended.

The Government has considered carefully what was said about the disposal of farm wastes and was taking that into account in preparing a technical memorandum and a code of practice on the disposal of pesticide waste which the Department of the Environment would be publishing this year in its waste management paper series.

The Minister of Agriculture, Fisheries and Food accepted in principle that the agriculture development advisory services should have a greater involvement in the pollution aspects of agricultural practice. In considering that there would need to be regard to the various pollution control authorities and to the special relationship which existed between the agriculture advisory services and the farming community.

Without prejudicing that relationship there should be scope for making fuller use of the knowledge and experience of the advisory services in the various pollution control authorities and to the special relationship which existed between the agriculture advisory services and the farming community.

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## WEST EUROPE

## EEC proposal to tax imports of oil could benefit Britain

From Michael Hornsby

Brussels, Jan 17. A tax on oil imports into the EEC is being considered by European Commission experts as a way of increasing Community budget revenue, reducing dependence on external oil supplies and boosting investment in indigenous energy resources.

If the tax were introduced, it is only one of several ideas under discussion—it could improve Britain's budgetary position markedly over a number of years, but it is not seen here as an answer to Britain's immediate budget problem.

The idea is being pushed by Herr Guido Brunner, the EEC Energy Commissioner, who argues that in the present climate of uncertainty about oil supplies it is vital that the EEC should develop a more united energy policy.

Although Mr Roy Jenkins, the President of the Commission, is understood to favour the scheme, there is considerable scepticism among other commissioners. It also seems likely to run into opposition from the French and the West Germans.

A tax on oil imports would help Britain in two ways. First, it would provide a new source of EEC revenue to which other countries would contribute much more heavily than Britain, which can meet most of its oil requirements from North Sea supplies.

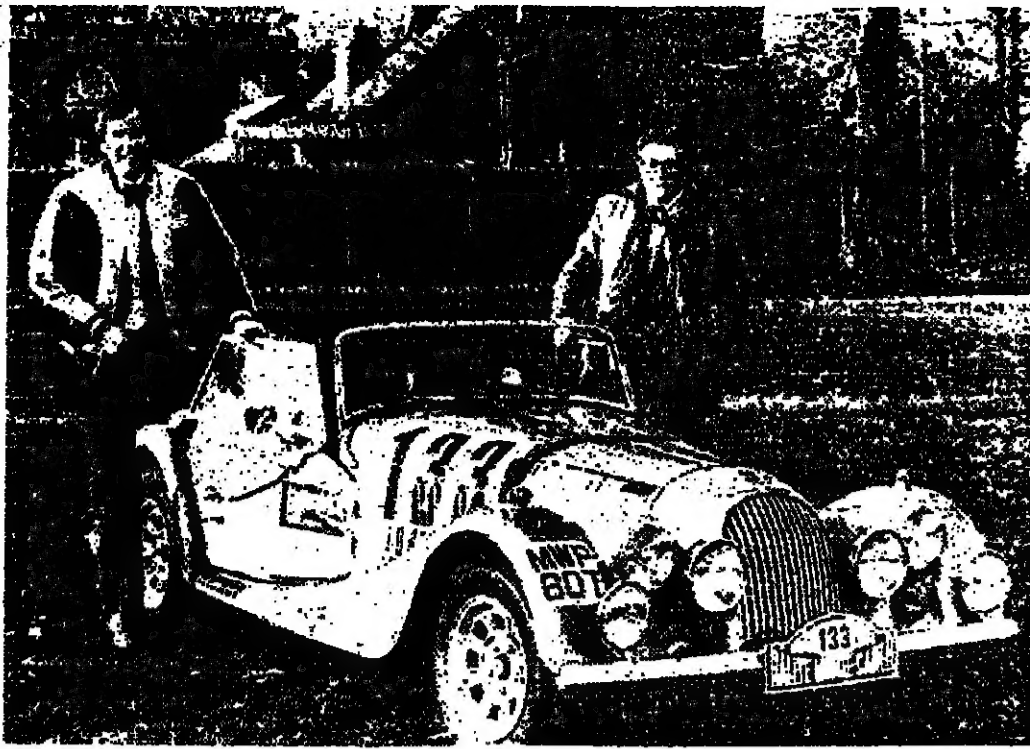
Second, North Sea oil would sell at a premium inside the EEC where the price would equal the world price plus whatever amount of import tax was imposed. In theory, this would give Britain an incentive to sell more of its oil within the community and thus reduce the dependence of the EEC as a whole on external supplies.

It is acknowledged that there are serious difficulties with such a scheme, not least the free trade obligations the EEC is bound to observe under the general agreement on tariffs and trade (GATT).

Herr Brunner argues, however, that Arab oil-exporting countries might be persuaded that an import tax was in their interests since it would tend to reduce EEC consumption and slow down the depletion of Middle East oil reserves.

There are serious worries, however, about the effect of an oil tax on economic growth in the EEC. Some commissioners also prefer the idea of a tax on internal energy consumption, which would not help Britain.

The revenue derived from such schemes would be intended primarily for investment in developing energy resources in countries like Italy, Denmark and Ireland, which are particularly dependent on external supplies. But spending on the development of the coal industry could be of benefit to Britain.



Philip Young (left) and his navigator Tony Ambrose in Regent's Park with their Morgan car, ready for the Monte Carlo Rally.

## Energy experiment which Britain abandoned gets under way on a plain in Spain

From Harry Debelius

Tabernas, Spain, Jan 17.

The construction of a solar power plant capable of generating enough electricity to supply a small town got under way here today as an experimental project of the International Energy Agency (IEA).

Britain opted out of the project, the first to use liquid sodium as a heat transfer element and unique in its ability to convert the effectiveness of different systems for capturing solar energy.

It was initially funded by Britain and nine other members of the agency but last May, after reviewing the design, Britain decided not to put up any more cash.

The cost of £20m, including £15m for installation and £5m for maintenance and evaluation, was presumably discouraged by the British Government from investing beyond the early research.

However, as Mr Wilfried

Brasse, the project director, said, it is a prototype and it would be unreasonable to expect it to be cost competitive with conventional systems at the moment.

The nine countries still involved in the project are Austria, Belgium, West Germany, Greece, Italy, Spain, Sweden, Switzerland and the United States. Contracts for material and systems have been awarded with preference to the financing countries. However, a British company, Laing, is the main building contractor.

A plain designated the "solar platform" was chosen because this is the sunniest part of Europe with an estimated 3,000 hours of sunshine a year (compared with, for example, Sweden's 1,600 hours).

However, a copy of the local daily newspaper *Voz de Almería*, sealed into the cornerstone at the dedication ceremony today, carried a front page headline referring to several villages in the Tabernas

area being snowed in by exceptionally cold, wet weather.

Fortunately, for the organizers of the event, the sun shone just as the aircraft carrying Señor Carlos Bustelo, Spain's Industry Minister, touched down at Almería airport nearly about an hour before the ceremony.

The experimental suntrap consists of two parts. The first is a central receiver system composed of sun-following mirrors, known as heliostats, which reflect solar rays to a tower-mounted boiler to heat sodium for turning water into steam to power a generator.

The other part is a collector system which consists of a field of two different types of trough-shaped devices which concentrate the sun's rays on to a pipe mounted along the length of the suntrap.

Each system occupies about the space of half-a-dozen football pitches and contains about 2,600 square metres of reflectorized surface.

## Mr Martens carries on with weaker coalition

From Our Own Correspondent

Brussels, Jan 17.

Mr Wilfried Martens, Belgium's Prime Minister, is once again struggling to hold together a disintegrating coalition only a week after he had appeared to have patched up a quarrel between its Flemish and Walloon members.

The latest crisis was precipitated yesterday by the resignation of a Flemish minister, but official but probably more accurate versions, expulsion of the small Brussels-based French speakers' democratic front.

This still leaves Mr Martens with a working majority, though not the two-thirds majority necessary for the constitutional changes needed to complete the planned transformation of Belgium into a three-region federal state.

However, the next stage in the devolution programme will not involve constitutional amendment, and Mr Martens is trying to soldier on with the remaining four parties in the coalition, the Walloon and Flemish wings of the Christian Democrats and the Socialists.

Success in this enterprise depends on the attitude of the Walloon (French-speaking) Socialists, who today demanded

assurances about the "irreversibility" of Belgium's division into three regions, Flanders, the Brussels area and Wallonia.

The principle of the three-way division has been enshrined in the Belgian constitution since 1971, but no agreement has ever been reached on the relative powers and status to be accorded to each region.

The French speakers accuse the Flemings of seeking to go back on this constitutional commitment, but the Flemings insist that they have never accepted that Brussels should be a region with the same rights and status as the other two.

Brussels is a French dominated enclave inside Flanders, and the Flemings, who are in a majority in the country as a whole, say they could never agree to a federal structure in which two out of three regions were French controlled.

The collapse of last week's agreement was provoked by disclosure of a secret pact between the French-speaking parties under which they would use their combined votes to delay legislation deemed inimical to the interests of Brussels or Wallonia.

This was denounced as unconstitutional by the Flemings.

## Europe MPs want say in choice of Commission

From David Wood

Strasbourg, Jan 17.

Pressure is growing in the European Parliament this week for a say in the Council of Ministers' choice of commissioners to succeed Mr Roy Jenkins and his 12 colleagues when their four-year leasehold runs out on December 31.

There is accompanying pressure, particularly among Conservatives in the European Democratic Group, for the Commission to be reduced in size to a president and one commissioner from each of the Nine member countries.

In the parliamentary corridors it is freely predicted that the Council of Ministers will have to reach a decision on Commission candidates and the "portfolio" they want by early June. Mr James Scott-Hopkins, the Conservative leader, says that the European Parliament must ensure that national governments and the Council of Ministers fully consult members of the European Parliament.

That is not to say that the British contingent has yet settled on one candidate whose claims could be pressed on Mrs Margaret Thatcher, or on the Commission portfolio that would be most relevant for Britain.

As Mr Jenkins comes to the end of his stint, the presidency will pass from Britain, and it is probable that Paris and Bonn will support Mr Gaston Thorn, the former Prime Minister of Luxembourg, and a profoundly experienced European politician well liked by the Parliament.

If the British Government had only one commissioner to nominate for a reduced Commission, the European Democratic Group would urge Mrs Thatcher to choose somebody with an established international reputation and experience at the top.

In the extremely tentative name-guessing audible in Strasbourg this week, Sir Michael Palliser, head of the Foreign Office and former EEC Ambassador in Brussels, and Sir Richard Marsh, former chairman of British Rail, have been mentioned. Nobody, however, is yet willing to give odds on the choice. The book remains to be made.

Parliamentary report, page 6.

## Jenkins visit to Belgrade will show EEC concern

From Our Own Correspondent

Brussels, Jan 17.

In a gesture of support for Yugoslavia, Mr Roy Jenkins, the President of the European Commission, is to visit Belgrade about the middle of next month. The planned visit reflects growing concern in the EEC about the ill health of President Tito and possible Soviet pressure on Yugoslavia if the 87-year-old leader should die.

The hope here is that a new trade agreement offering the Yugoslavs much more generous access than at present to Community markets, will have been concluded in time for cere-

monial signature by Mr Jenkins during his stay in Belgrade.

EEC foreign ministers agreed in Brussels earlier this week on the need to offer Yugoslavia much bigger trade concessions than hitherto. Details have still to be worked out by the committee of member states' permanent representatives in Brussels. The commission will then have to reopen negotiations with Belgrade.

Yugoslavia's trade deficit with the EEC is running at an annual rate of more than £1,500m.

## King Alphonso's remains go home from Italy

From Our Own Correspondent

Rome, Jan 17.

The remains of Alphonso XIII, grandfather of the present King of Spain, were today removed from the Church of Santa Maria di Monserrato where they were placed when he died in Rome in 1941.

They were taken to Civitavecchia and brought on board the frigate Asturias which then set off for Spain. The remains are to be placed in the Escorial, the royal palace outside Madrid.

The departure was marked by a Mass celebrated by Cardinal Bertoldi and the rector of the church. This church serves the Spanish community in Rome and contains the tombs of two Spanish Popes.

Signor Tommaso Morino, the Minister of Justice, represented the Italian Government and Signor Antonio Maccanico, the head of state. The Spanish delegation was led by the Count of Barcelona, son of Alphonso XIII.

## Dutch homosexual fights loss of his US visa

From Robert Schull

Amsterdam, Jan 17.

The entry visa to the United States of a homosexual has been annulled by the American authorities, Mr Bear Capron, aged 29, an American who took Dutch nationality in 1978, lost his visa after he told the Consulate General of the United States in Amsterdam that he was "an active practising homosexual".

As far as is known Mr Capron is the first Dutch citizen to suffer the consequences of the recent decision by the American Department of Justice to refuse admission to foreign homosexuals.

Mr Capron has asked a firm of lawyers in the United States to fight the decision in the American courts. Mr Harry van den Bergh, a Dutch Labour MP, has called on Mr Christoph van der Klauw, the Foreign Minister, to lodge a protest with Washington.

Mr Capron took the initiative of informing the Consulate

General of his sexual preferences. He had already received his visa for the United States in October, 1978.

After reading recently about the American measure he went to the consulate authorities to inform them of their "mistake" in granting him the visa.

He left his passport behind and when it was returned to him a week later his visa had been annulled.

Most of the main political parties and many leading personalities in The Netherlands have condemned the American measure which was announced by the United States Immigration Service, at the end of December.

Recently, members of the Dutch homosexual movement donned police-style uniforms marked "Homo Squad, Holland" and interrogated arriving American passengers at Amsterdam airport as to their sexual preference to demonstrate the humiliating effect of the American measure.

## Strasbourg gain might mean Luxembourg loss

From Our European

Political Editor

Strasbourg, Jan 17.

The managerial bureau of the European Parliament last night made a decision that will shock the Grand Duchy of Luxembourg. It announced that all meetings of the Parliament up to June this year will be held in Strasbourg and that no other meetings will be arranged until the parliamentary demand for a single site has been resolved.

In effect it means that Luxembourg may have lost the battle to share parliamentary meetings with Strasbourg although an expensive new parliamentary building has just been completed with 500 seats on the Kirschberg site.

## Rebel historian appointed to Spanish Cabinet

Madrid, Jan 17.—Señor Ricardo de la Cierva, the historian, has been appointed Minister of Culture, replacing Señor Manuel Clavero who resigned in a dispute over home rule policy.

The appointment of Señor de la Cierva, a high official in the Information Ministry in the Franco years, was accompanied by a minor Cabinet reshuffle.

Señor de la Cierva, the author of several books on the Spanish Civil War, wrote an article entitled "What a Mistake, What a Huge Mistake," after Dr Suárez was appointed Prime Minister in July, 1976.—UPI

## Budget approved

Paris, Jan 17.—After repeated birth-pains, the French budget has finally come into existence. The 1980 budget was voted today by the Senate, which approved expenses of 525,000m francs (£58,333m) and a deficit of 31,000m francs.



## On January 1st, 1980 Iveco (UK) Limited was created.

Iveco

Fiat, OM, Lancia, Unic and Magirus Deutz united to form Iveco.

Together they represent 350 years of manufacturing experience.

Working as one to broaden their research, they produce a highly specialized range of trucks and buses that are above all safe, reliable and economical to run.

Truly a sharing of traditions, resources and technological know-how.

And an international dealer network with years of experience working alongside hauliers.

## Now in Great Britain

On January 1st, 1980, Iveco (UK) Limited was created from Fiat Commercial Vehicles Limited and Magirus-Deutz (Great Britain) Limited.

This further move enables Iveco to reinforce its position in the U.K.

The trucks and networks of both Fiat and Magirus-Deutz will thus get a stronger support: greater efficiency, better service and better availability of spare parts.

From now on, running Fiat and Magirus-Deutz trucks will be easier still for you, with Iveco's broadened organisation behind you.

FIAT TRUCKS MAGIRUS DEUTZ

IVECO A world of experience

# In the red corner Herbert Marcuse.

# In the blue corner Talcott Parsons.

Swedish sociologist, Göran Therborn adds up the points contributed to Twentieth Century thought by the opposing theories of two of its most significant social thinkers who died last year.

## Also in this week's Times Higher Education Supplement:

\*The role of the UN in an increasingly dangerous world.

\*Chinese higher education since the Cultural Revolution.

\*The rise of the Tory intellectuals.

\*Women's studies come of age.

THE TIMES Higher Education SUPPLEMENT

Every Friday.



## AFGHANISTAN/IRAN

## Herr Schmidt pledges support for US but will see Mr Brezhnev

From Patricia Clough  
Bonn, Jan 17

Herr Helmut Schmidt, the Chancellor, today pledged West Germany's support for United States sanctions against Iran and the Soviet Union as an "absolutely reliable ally and friend".

At the same time he promised that the Government would step up its efforts for peace in Europe and for détente and would persist in efforts for arms reduction and control.

He said he still intended to meet President Brezhnev and Herr Erich Honecker, the East German leader, as planned over the next two or three months. "We must make it clear where we stand... To this purpose we must talk to each other."

West Germany will increase its already sizable aid to countries it considers threatened by the Afghanistans crisis, in particular Pakistan, India and Turkey. He recalled that government ministers were already involved in talks on cooperation with the Gulf States.

The Chancellor, who was making a formal statement to Parliament on the international situation and its domestic consequences, did not go into the question of West Germany itself joining in sanctions against Iran and the Soviet Union. These matters which are being discussed with its Community and Nato partners, raise many problems for the Government.

Apart from West Germany's huge business interests and fears for the West German community in Iran, the Government has to consider the cost to its relations with the Eastern bloc.

The Chancellor's speech showed the Government's desire, despite temporarily conflicting interests, to remain true to the two fundamental principles of West German foreign policy: complete loyalty to the United States ("irreplaceable for our security") and to save and

continue its policy of détente and peace in Europe. Many overtones in the Chancellor's speech appeared not unconnected with the fact that West Germany has Bundestag elections this autumn. Herr Schmidt, who has made himself a reputation as a cool operator in times of stress, said what was needed was "carefully thought out crisis management". A calm approach by the Government was not "pussyfooting"—a charged levelled by the Opposition—and loud words were not West Germany's style.

He reassured his countrymen that their security is guaranteed by Nato and the United States. "Therefore we do not need to have fear during a crisis."

Despite the effects of the energy crisis, West Germany had entered the new year in an economically "good starting position". Experience had shown that West Germans were capable of preserving their stability in times of crisis. The Chancellor said he was confident about the future.

Herr Franz Josef Strauss, the opposition candidate, criticized the Government but maintained a highly cautious position himself. "Only a fool would want any other policy but that of détente and peace," he said. But European governments must be aware of the real nature and intentions of the Soviet Union.

Since 1970 Moscow, he said, had been conducting naked, brutal power politics on a global scale. But he was convinced that it did not want a third world war.

Real détente, he said, required a military balance and not a "politic-psychological neutralization" or a reduction of the nation's will to defend itself.

The Soviet Union must be made to realize that it has to pull its troops out of Afghanistan and not take any further steps to increase its military presence in the region.

Russian military machine, and Soviet mistake, page 15



The deposed Shah of Iran at his refuge on Contadora Island, Panama, with Mr David Frost who interviewed him for the Yorkshire Television series beginning tonight.

## Russia accused of coveting Iran

Tehran, Jan 17.—In the strongest Iranian attack so far on the Soviet intervention in Afghanistan, Mr Abolhasan Bani-Sadr, the Finance Minister, has accused Moscow of wanting to divide Iran and push on to the Indian Ocean.

His attack was part of a campaign speech published today by the official Pars news agency. Mr Bani-Sadr, a leading contender for the Presidency, said: "They want us to be divided rather than united so that they can capture the divided parts, as they did with Afghanistan."

He was speaking last night in the oil refinery city of Abadan on the Gulf.

In his opinion the Turks are a minority. The Baluchis,

Persians and Arabs are also minorities, whereas we have been living together for centuries and have a common life and culture," Mr Bani-Sadr said.

His chances of election appear to have been boosted by the withdrawal of Mr Jafaruddin Farzi, the ruling Islamic Republican Party (IRP) candidate whose Afghan origins have disqualified him under the terms of the constitution.

Mr Bani-Sadr, a member of the ruling Revolutionary Council added: "We must pave the way for the uprising of the deprived nations and change the political map of the world. In Islamic government, there is no discrimination."

He said it was not the time to remain silent on what he called the Soviet invasion of Afghanistan or on the depredations of the United States all over the world.—Reuter.

Court's deadline: The World Court at The Hague today set February 18 as the deadline for Iran to present its defence against the United States case concerning the occupation of the American embassy in Teheran.

The next hearing will involve the substance of American claims that Iran should be condemned for violating international law. The court said Iran could apply for an extension of the time limit.—Reuter.

## Lord Carrington plays down differences with India

From David Spanier  
Diplomatic Correspondent  
Delhi, Jan 17

Lord Carrington did his best today to put a good face on the sharp differences of opinion between Britain and Mrs. Gandhi's Government on the Soviet intervention in Afghanistan.

There was scope for "differences of perspective", but there was "no room for disagreement" on the dangers to the sub-continent, the Foreign Secretary admitted at the conclusion of his talks in Delhi tonight.

"Britain and India both want to see Soviet troops out of Afghanistan," he said. "Neither of us has a ready-made prescription of the best way to achieve this."

The crux of the difference of opinion is that Britain believes in taking the strongest possible line in protest against the Soviet action, while the Indians counsel restraint to avoid making matters worse.

British officials were horrified by the outspoken and unqualified endorsement of the Soviet case made by the Indian representative at the United Nations.

Although India, mindful of the danger of the bad impression created among other non-aligned countries, abstained in the final vote there is no doubt that Mrs Gandhi herself stands very close to the Soviet line.

She refused to condemn the Soviet Union or say that Soviet aggression underlay the present

danger to the region, talking to reporters after her 45-minute conversation with Lord Carrington. And in speeches today, she indicated that the danger to India came from the United States rather than from the Soviet Union.

"India does not support any foreign intervention anywhere," Mrs Gandhi said today, speaking in Hyderabad. "But in the case of Afghanistan the Revolutionary Council of that country has invited the Russians."

Asked later in the day if increased United States aid to Pakistan justified the Soviet intervention in Afghanistan, Mrs Gandhi somewhat qualified her support by saying: "I am not justifying it. We do not approve of it."

Mrs Gandhi is far from enamoured of the United States and Britain, which formerly criticized her leadership, and India is dependent on the Soviet Union for arms. If Pakistan ever raises the issue of Kashmir again, India wants Russian support.

Lord Carrington tried today to reassure Mr P. V. Narasimha Rao, the Indian Minister for External Affairs, that American support for Pakistan was a different thing, in the present context, from a threat to India.

The American arms credits, the Foreign Secretary added, at \$200m (Pakistan) over two years, were hardly a threat to suggest that Pakistan was any threat to India.

## Gulf minister fears new colonial era

Bahrain, Jan 17.—The Soviet intervention in Afghanistan has opened a new colonial era, and Moscow's strategy is to get closer to the oil-producing areas, Sheikh Muhammad bin Mubarak al-Khalifa, the Foreign Minister, said in an interview with the newspaper Akhbar Al Khaleej.

Defence of the area must be undertaken by the Gulf states themselves and they should unite their forces and coordinate their strategies, he said.

He denied foreign press reports that Washington had asked Bahrain to provide military bases.

Romanians rearm: Romania, which refused to sanction the Soviet intervention in Afghanistan, will strengthen its defences to face the tense situation, President Nicolae Ceausescu said today in a broadcast monitored in Vienna.

He told an audience in Bucharest that the country would re-equip its Army and step up training of workers' militia and para-military youth groups to defend national independence and sovereignty.

The call for new arms for the Romanian Army was all the more significant because the holding of the Islamic foreign ministers' conference in Warsaw Pact spending increases.—Reuter

## OVERSEAS

## Judge attacks Soames leniency towards convicted murderers

From Frederick Cleary  
Salisbury, Jan 17

The Southern Rhodesian Chief Justice today criticised Lord Soames, the Governor, for his recent decision to commute the death sentences on 11 convicted African murderers.

The decision aroused considerable criticism here from Bishop Abel Muzorewa's Uanc party and from whites, particularly Mr Christian Andersen, the retiring Minister of Justice.

Mr Justice MacDonnell, commencing his new duties, said in his judgment the country's judges were "bewildered" by the Governor's action and were seeking guidance on the issue.

"It is not of course, possible for the judiciary of any country to carry out its very important functions if sentences passed in strict conformity with the law are not upheld by an executive as a matter of course, and if this were done a very serious and quite impossible situation would arise."

The judge said the death penalty could not lawfully be abolished by the exercise of the prerogative of mercy. This

could only be done by an alteration to the law. To use the prerogative of mercy as a *de facto* method of abolishing the death penalty would be a grave abuse of the power which the prerogative conferred.

"It is not to be assumed that such a use was made of the prerogative in commuting the 11 murderers," he said.

The judges should accept whatever view might be entertained at present, that a policy of automatically commuting all death sentences has not been adopted by the executive, that the prerogative of mercy is still in force, and that the 11 instances were exercised in accordance with the principles underlying the prerogative and within its limitations, and that there has been no impropriety on the part of the executive.

He said the judges should continue to sit in cases where it might be necessary to impose the death penalty.

All 11 reprieved men were sentenced for murders involving shooting, strangling, clubbing, knifing or burning their victims.

## Some Nablus settlers ready to leave site

From Moshe Brilliant  
Tel Aviv, Jan 17

Elon Moreh settlers voted early this morning to give up their hold on a site south of Nablus, which an Israeli Court ruling said had been requisitioned unlawfully, and to settle at another site east of Nablus prepared for them by the Government.

The settlers and the Government agreed to a deal, but the Government is now expected to take steps to ensure that other Jewish settlements in the West Bank are not similarly evicted.

Doubts about the future of Israeli settlements were raised by the Supreme Court judgment in the Elon Moreh case. It noted the land had been requisitioned by the military government and said that under the Hague Convention all operations by the military government were valid only for the duration of the occupation.

The Camp David agreement between Egypt and Israel calls for the transfer of authority from the military government in the West Bank and the Gaza Strip to an Arab Administration.

The Israeli settlers said today they were persuaded to end their three months' resistance to the move partly by 30 Knesset members, one quarter of the total, who pledged in writing to press for legislation for a change in the status of the territories.

They said they were also satisfied that Mr Begin, the Prime Minister, had been persuaded that something must be done and added that they wanted to avoid a confrontation with the armed forces.

The Government twice postponed deadlines for their eviction but appeared determined to enforce the next one at the beginning of next month. However the danger of a confrontation has not passed. The vote to leave was by 45 to 15 and the minority said it would resist moving, claiming there were applicants for settlement who would replace those who agreed to be transferred.

## US pressure to settle issue of Palestinians

From Our Own Correspondent  
Washington, Jan 17

The Soviet invasion of Afghanistan has reinforced Western determination to persuade Israel and Egypt to resolve the Palestinian issue by the end of May as originally envisaged in the Camp David agreements.

After a meeting between President Carter and Mr Hosni Mubarak, the Egyptian Vice-President, in Washington today the two leaders issued a statement which "stressed the importance they place on sustained movement in the (Palestinian) autonomy talks".

Last week in Aswan President Carter, Mr Begin, the Israeli Prime Minister, failed to make any discernible progress on Palestinian rights.

To try to achieve an agreement by the end-of-May deadline, Mr Sol Linowitz, Mr Carter's special Middle East envoy, is broadening a trip he was originally due to make to Israel later this month to encompass visits to moderate Arab states like Saudi Arabia, Jordan and Morocco. These are almost certainly to be more willing to join an informal regional security cooperation pact with the United States once the question of Palestinian autonomy was resolved.

President Carter is considering building what is being called a strengthened framework for regional cooperation in South-West Asia. A key element would be the use of existing military installations in pro-Western countries in North Africa and the Near East, as well as Kenya, Oman and Somalia.

It is believed that the move by Syria, the other countries and the PLO to seek the cancellation of the Islamic foreign ministers' conference was made at the instance of the Soviet Union and the Pakistani Government, apparently expected to attend. Indeed, Pakistan may prefer that these foreign ministers' conference be absent themselves from the

## Labour MPs angry at decision on Chile

By David Watts

Mr Peter Shore, the Shadow spokesman on foreign affairs, led a groundswell of protest last night against the Government's decision to restore diplomatic relations with Chile to ambassadorial level. The protest was amplified by a statement from Amnesty International which termed the decision a "deadly blow" to the cause of human rights in Latin America.

In spite of Foreign Office disclaimers, there was no doubt that the decision to exchange ambassadors with Santiago would be seen as approval for one of the chief oppressors of human rights victims in Latin America, said Mr Cosmas Desmond, the director of the British section of Amnesty International.

Noting that the ambassador had been withdrawn on a human rights issue, the arrest and torture of Dr Sheila Cassidy, Mr Desmond said that the previous government was strengthened in its resolve not to return the ambassador because of another specific case involving a British passport holder, Mr William Beausere.

He was kidnapped in Buenos Aires, his British passport torn up, then flown back to Chile in a military aircraft where he was tortured for months until his health was broken and then he disappeared for good.

Mr Desmond repeated pointed out to Mr Nicholas Ridley, Minister of State at the Foreign Office with responsibility for Latin America, that we do not maintain that diplomatic relations should be determined by human rights considerations.

"But in the case of Chile a definite link between human rights and diplomatic relations has already been established. To ignore this is implicitly to condone not only the disappearance of William Beausere, but also the legal impediments to realistic investigation into the discovery of corpses of disappeared people in no fewer than five separate locations in Chile."

Mr Shore said that the decision to exchange ambassadors with Chile indicated that in Britain's view there had been an improvement in the conduct of the regime.

This was not the case, an opinion shared by the United States, he said, since only a month ago the Chilean Embassy in Santiago had been reduced in size, trading credits cut back and military supplies cut off.

The recent human rights report from the United Nations indicated that "the regime was more tyrannical than before". According to reports from Chile torture is still widely used by the secret police.

Leading article, page 15

## Air attacks near Kabul shake city

From Robert Fisk  
Kabul, January 17

The sound of bombs exploding and artillery fire boomed across Kabul today as Soviet military aircraft wheeled above the city, apparently on bombing missions against tribesmen in mountains near the Salang Pass.

The explosions could be heard almost every 20 seconds for two hours.

There was no immediate explanation for the new outburst of fighting—the nearest conflict to the city since the Soviet backed coup here last December. Some of the explosions shook the windows of my hotel.

Whether by coincidence or design, the Afghan authorities also chose to expel all American journalists from Afghanistan today. An official from the Afghan Ministry of the Interior, who refused to give his name, arrived at the Intercontinental Hotel, where most of the western press are staying, and ordered all American correspondents to leave the country.

The expulsions came after some extraordinary scenes in the lobby of the hotel last night when United States journalists refused to hand over their passports for "registration" to Afghan officials.

## US protest at ousting of reporters

From David Cross  
Washington, Jan 17

The United States today deplored the expulsion of American journalists from Afghanistan and announced that it had lodged a formal protest with Kabul against the move.

A State Department spokesman said the action by the Soviet authorities and their Afghan "puppet" administration was a "clear sign that they wish to deny the United States public information about what is really happening in that country."

In spite of the continuing hostility between Washington and Moscow, however, the United States and Soviet ambassadors are returning to their posts tomorrow.

Describing the military situation in Afghanistan, the spokesman said that fighting in the eastern part of the country was intense and control of the area remained "critical" for Soviet and Afghan troops. Nationalist forces in the country continued to cut vital lines of communications and Soviet troops were having to concentrate more and more on keeping roads open. There were reports of a Soviet advance in the valley of Kandahar after a lull during recent days.

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## Rebels run day trips across border

From Ian Murray  
Shinkai Hills, India Province,  
Afghanistan, Jan 17

A throng echoed through the mountains and from over the ridge in front of us a puff of grey smoke rose into the blue sky. Big Sadoo beamed happily and pointed with his AK rifle towards the town of Khawst spread out in the distance below.

"Boom," he said. "Tam, Tam, Tam," and his hand went down in a crushing movement of the shale on the mountainside.

Sadoo was introduced to us yesterday as one of the leader heroes of the Mujahedeen. A bull of a man, with a huge black beard, his eyes smiled with pleasure as he talked of the 80 or more men he had killed since taking to the hills to fight against the Communist Army in Afghanistan.

He has a plastic band garland woven round the end of his gun because, he says, he wants to be beautiful. "God's weapon" which he is using to kill the enemies of Islam in his country. The Sadoo group, he says, is up to 1,000 strong.

We met Sadoo at what was described as his group "office" in Miran Shah, the capital of North Waziristan, across the border in Pakistan.

The six main groups of Mujahedeen fighters all have offices in Miran Shah and it is impossible to visit one without

being taken to see all the others. Each group claims to have killed thousands of Afghan soldiers—and at least a few dozen Russians and knocked down many tanks, jets and helicopters. Each group claims to have tens of thousands of supporters. And each group also asks the press to say that they want anti-tank and anti-aircraft weapons.

The whole atmosphere in Miran Shah is unreal. Everyone is armed with weapons that would cost at least £100, yet everyone is in rags. The children walk barefoot in the freezing mud of the streets. Even the most luxurious "office" has no heating, and most groups entertained us on the roof because they had no light inside.

Yes, everywhere we were escorted by a hand-shaking, happy crowd, intent on making sure we understood their need for anti-tank weapons. In the case of the Sadoo group, the wounded Mujahedeen in the only ward open. Both said they could scarcely wait to get well to get back to the fighting.

The British Raj drew the line between India and Afghanistan. The tribesmen are all allowed to carry guns—nobody would try to stop them. Smuggling is a traditional and honourable way of making a living. The border does not exist for them.

For foreigners it is, however, difficult to travel. Roads are blocked by chain of soldiers and many administrative hurdles.

With Sadoo as an escort border formalities were minimal. Holding his gun aloft he laughed: "I am my passport," as we crossed the Durand Line in a red Toyota lorry into Afghanistan.

A lurching mile or so up a rocky river bed we reached a field and an anti-tank gun and some tents. They had been captured from the Russians, we were told. At the first village called Gulamkhan we were met by two men with rifles who hospitably offered us warm bread and who offered to kill a sheep for us for lunch. We drove on.

At the next village of Musha there was more bread and posing for pictures beside a captured anti-tank gun. Then it was off on foot up the hills to watch the battle. The climb was long and steep, and before we reached the top Sadoo was lagging behind and out of breath.

When he caught up he pointed out with pride the hillside where he said he had surrounded a tank squadron with 12 men and had killed 80 soldiers.

Sadoo said he was sorry. Had we given him 24 hours' notice of our visit he could have arranged for us to have seen some fighting at close range.

This day trip into Afghanistan with the guerrillas was just one of many tours at present on offer by the rival groups. Their representatives can be seen in the lounges of Peshawar hotels talking to journalists.

All-in tours of anything up to a month are there for the asking but colleagues who have taken long "walks", as they are called, tend to return disillusioned. Fighting is going on, but it is inconclusive and meaningless without the chance of an overview.

What is clear from even the shortest of trips is that the areas which the Mujahedeen claim control are near the borders and in the hills. The towns and roads seem well in the control of the new regime.

## Olympics president rejects Prime Minister's appeal

By John Hennessey

Lord Killanin, president of the International Olympic Committee (IOC), was unmoved yesterday by the exchanges in the House of Commons, during which the Prime Minister said that there should be concerted action to try to have the Olympic Games moved from Moscow.

"We have a contract with Moscow, and as there has been no breach on their side, we have no intention of going back on our word," he said.

He added that if he received an approach from the British Government he would have to point out that under Olympic rules "we do not deal with governments but with National Olympic Committees in the various countries. A British approach to the IOC would have to come from the British Olympic Association."

Sir Denis Follows, chairman of the association, was more forthright: "If there are any games held anywhere else," he said, "they will be in opposition to the Moscow Olympics and not a substitute for them."

He said that under Olympic rules they could not even be called Olympic Games, because of the boycott.

They would not be attractive to athletes because the standard would be very much lower than some regional games, the Commonwealth Games for instance.

Hands Off Afghanistan Campaign has appealed to Lord Killanin to find another site for the games. The all-party group says in a letter that interference in the Olympic Games should not be the only method of expressing moral revulsion at the Soviet action, but that the games can

not remain unaffected while Soviet troops stay in Afghanistan. The campaign insists that Governments should help the IOC finance the transfer of the Games.

France's M Jean-Pierre Soisson, Minister for Youth, Sports and Leisure, declared that "France will be to the Olympic Games in Moscow. There was, he said, no reason for a French boycott. (Our Paris Correspondent writes)."

The Olympic Games are not organized by governments, but by the International Olympic Committee which chooses a city and not a country," he said.

M Maurice Herzog, one of the French members of the International Olympic Committee and a former Minister for Youth and Sports, declared last night on television "that it would take a decision by the United Nations to jeopardize seriously the Moscow Olympic Games."

The Netherlands: Mr Chris van Kluu, the Foreign Minister, said the Dutch Government should not take a boycott now on a boycott. In his view it was a question for the sports organizations.

China's Mr Soong Zhong, head of the Chinese Olympic Committee, has told Japanese journalists that China might participate in a boycott, the Kyodo News service said in Tokyo.

Stockholm: The Swedish Olympic Committee said it supported Lord Killanin in his view that it would be impossible to move the Games.

Kuala Lumpur: Malaysia may decide to pull out of the Moscow Olympics if most other countries do so, sports officials said.

## Pakistan insists on Islamic talks

From Hasan Akhtar  
Islamabad, Jan 17

The Pakistan Government has rejected a call by Syria, Libya, Algeria, South Yemen and the Palestinian Liberation Organization to cancel the holding of the Islamic foreign ministers' conference in Islamabad on Friday next week. It asserted that the proposed conference would detract the attention of the Islamic states from the establishment of relations between Egypt and Israel.

A government statement today said the objection



## OVERSEAS

## Mr Trudeau kept out of spotlight as Canadian Liberals run safe campaign in expectation of victory

From John Best  
Ottawa, Jan 17

Canada's Conservative Government, which held office for only six months before being toppled on a House of Commons confidence vote on December 13, is fighting an uphill battle to retain power in the general election on February 18.

Opinion polls have convinced most political observers that only a dramatic reversal in voter preferences between now and the end of the election campaign can prevent the Liberals, led by Mr Pierre Trudeau, from being returned to office.

The Liberals are so convinced they have the election sewn up that they have Mr Trudeau, the former Prime Minister, conducting what amounts to a non-campaign. The strategy is to keep Mr Trudeau under a low profile, to avoid drawing him into the spotlight, and above all to minimize the chances of his making any disastrous mistakes.

Thus Mr Trudeau has been travelling across the country making a series of low-key speeches, doing his best to embellish the wide-field picture of Mr Joe Clark, the Prime Minister, as a weak, ineffectual leader, and generally steering clear of clear policy positions.

Based on a considerable extent on the realization that, outside his native Quebec, Mr Trudeau is at best an uncertain asset. Intense voter antagonism towards him in English-speaking Canada has contributed to the Liberal defeat in last May's election, which brought a minority Conservative Government to power, and the antipathy has far from dissipated.

The most telling demonstration of the Liberal approach came just a few days ago, when Mr Trudeau refused to take part in a nationally-televised debate with Mr Clark and Mr

Ed Broadbent, leader of the

moderately left-wing New

Democratic Party.

Whether the Liberal strategy works may depend on how successful the Conservatives are in making English-speaking Canadians understand that the alternative to the reelection of a Conservative government is a return of Mr Trudeau. This reality has to some extent been lost sight of in the welter of attacks on Mr Clark.

The Conservatives could also try to capitalize on the fact that Mr Trudeau would be, in a sense, a lame-duck Prime Minister. He has pledged that this will be his last election, whether he wins or loses. This means that Canadians are being asked to vote for a party without knowing who will be its leader two or three years from now.

Mr Trudeau had already announced his resignation from the leadership of the Liberal Party when the sudden fall of the Government induced him to receive, and fight one more election.

Mr Clark, for his part, is facing enormous difficulties in this campaign. Just 40 years old, he is considered by many to be too young to be Prime Minister, and for evidence they point to his reputation for indecisiveness and for policy inconsistencies, not to mention broken promises, while he was in office.

On other things, he failed to deliver on electoral pledges to stimulate the economy through widespread tax cuts. The debate over his promise to move the country's embassy to Jerusalem further undermined Conservative credibility.

Mr Clark is, however, an earnest and hard-working campaigner, not lacking in courage and tenacity.

The overriding issue in the campaign apart from the personalities of the party

leaders, is energy. The Con-

servatives are sticking by the

budget presented in the Com-

mons on December 11 by Mr

John Crosbie, the Finance

Minister, which resulted in the

overthrow of the Government

two days later.

It proposed to more than double the price of crude oil in Canada over a four-year period, and levy an immediate 18 per cent gallon increase on the petrol excise tax. The Conservatives insist that such increases were necessary to promote conservation and move Canada towards energy self-sufficiency.

The Liberals and New Democrats oppose the excise tax increase, and would raise the artificially-low price of crude oil in easier stages. Similarly, both opposition parties are against the Conservative plans to break up Petro-Canada, the state-owned oil company, and sell parts of it to the private sector.

In the area of social security, the Liberals have promised to boost old-age pension supplements, paid to the neediest pensioners, and for evidence they pledge to reverse a plan introduced into the last Parliament but never passed, to grant home-owners an income tax credit for mortgage interest and property tax payments.

Quebec criticism. The Parti Québécois has been swift to denounce the policy document published last week by the Quebec Liberal Party in which it proposed greater provincial participation in the central Government with the creation of a new body, the Federal Council, and restriction on unilateral intrusion by the federal Government in provincial matters.

Mr René Lévesque, the Premier of Quebec, called the document "a heaven-sent gift" for his party because the document recommends no special status for Quebec.

## McCartney tour off and he goes back to jail

Tokyo, Jan 17—Paul

McCartney, the former Beatle,

claimed the marijuana he

smuggled to Japan was intended

for his personal consumption,

and that it was less toxic than

alcohol, narcotics officials

said.

Mr McCartney was arrested yesterday at Tokyo's international airport for allegedly trying to bring in eight ounces of marijuana and underwent over six hours of questioning today.

The narcotics agents who escorted Mr McCartney back to the police detention centre after questioning were forced to withdraw into the building as about 200 young people barred the way screaming, "Paul, Paul."

Riot police were ordered to the scene and two fire engines also attended, in a move to break up the crowd. Mr McCartney was taken to a police station in a black telephone call, officials said.

Mr McCartney, aged 37, who came to Japan for a 11-day performance tour with his wife, Linda, four children and his group, Wings, will spend his second night in Japan at the detention centre, the authorities said. But narcotics officials are not saying whether Mr McCartney will be referred to the Tokyo district public prosecutor's office for trial or whether he will be deported.

Officials of the Ministry of Justice have not excluded the possibility of deporting Mr McCartney because, they say, he had not legally landed when he was seized. If prosecuted, Mr McCartney could face a prison sentence of up to seven years under Japan's stringent drug laws.

He is said to have told investigators that he felt marijuana is less toxic than alcohol and that he intended to smoke it privately during his performance tour.

The concert tour has been cancelled. He was accompanied by a Japanese lawyer during the questioning, which was conducted in English.—UPI

## Mr Marcos ousts minister

Manila, Jan 17—President

Marcos, of the Philippines, dismissed his rebellious Minister

of Information today and

challenged the political opposition

to try to overthrow him

by a coup.

He told a televised press conference

that he had asked Mr

Francisco Tadeo, the Minister of

Information, to go on leave and

submit his resignation, accusing

him of using the office to enrich

himself.

Mr Marcos said he had

ordered Mr Tadeo to turn over

all his functions to Mr Gregorio

Tedesco, the director of the

National Media Production

Centre, who was named just

before the press conference as

acting Minister of Information.

Mr Tadeo reported that he

was ready to resign but denied

the allegation of corruption.

Mr Tadeo had caused a

political storm by openly cam-

paigning his home province of

Camarines against Mr

Marcos's ruling New Society

Movement in the local elections

to be held on January 30, the

first since the declaration of

martial law in 1972.

Mr Marcos also said he had

reports that the Opposition was

talking of a coup. "I would like

them to try a coup," he said.—UPI

Turkish lawyer

shot dead

by attackers

Ankara, Jan 17—The prosecu-

tor's office today said a Turkish

lawyer was shot dead by un-

known attackers last night, and

two students were murdered in

Istanbul. Three bombs caused

damage, also in Istanbul last

night.

Sources said Mr İlhan Akbaş,

the prosecutor, was shot several

times in the back and died a

short while later in a hospital.

Sixty-three people have died

in Ankara's prolonged wave of

political violence this year.

More than 2,600 have been

killed in the last two years.—

Agence France-Presse.

Bombay mass arrest

Bombay, Jan 17—More than

1,500 people were arrested in

Bombay last night in a drive

against crime. Police said those

detained included bootleggers,

prostitutes and gamblers.

Troops fire at Costa Rica strikers

From Paul Rutler

Agence France-Presse

San José, Jan 17

Troops opened fire on striking

banana plantation workers

yesterday at the Atlantic coast

port of Limón as fear of com-

munist infiltration and the

threat of strike paralysis

gripped Costa Rica, long con-

sidered the "Switzerland of

Latin America."

At least eight people were

wounded when the Civil Guard

answered a barrage of stones

tossing from the Costa Rican

legion, according to senior

José Echeverría, the Minister

of the Interior.

The decision to open fire

was absolutely the right one,

and will do the same again

if other strikers try to stir up

trouble," said Señor Echeverría,

who is responsible for the 6,000-

man Civil Guard. The country

has no formal army.

The tough line taken by the

authorities reflects the tension

in this hitherto peaceful country

where extremists of the right

and left are accusing each other

of conspiring to bring down its

long-standing democratic

system.

The trouble started just

before Christmas, when 20,000

workers of the American-owned

Standard Fruit Company called

a strike in the plantations,

demanding shorter working

hours.

Standard Fruit gave in to

most of the workers' demands,

but added conditions which the

strikers found unacceptable.

The shooting broke out just

as some 5,000 rail workers,

doctors, medical staff and other

employees in Limón threatened

a total work stoppage if the

Government failed to settle the

banana plantation strike. The

Costa Rican Confederation of

Democratic Workers in turn

threatened to launch a nation-

wide strike.

As Costa Rica's only real

Caribbean port, Limón is the

exit and entry point for trade

with Europe and the main ter-

minal for imported oil.

President Corrao Odio

recently accused local com-

munist of "playing Moscow's

game." He had expelled two

Soviet diplomats blaming them

for a strike in Limón last sum-

mer.

Earlier this week the Costa

Rican authorities announced

the expulsion of "communist

agulators"—three Cubans, a

Bulgarian, a Yugoslav, and a

citizen of El Salvador—and

arrested 120 strikers.

The fear of communism has

been roused here by the up-

heavals in Central America in

the past year, which has seen

the overthrow of Costa Rica's

longest-serving president, the

expulsion of the Somoza dicta-

torship in Nicaragua, the threat

of civil war in El Salvador, and

renewed activity by extreme

leftist guerrillas in Guatemala.

Prensa Libre, however, pub-

lished a public opinion poll

yesterday reporting that "des-

pite everything, life is peaceful

and happy for Costa Ricans."

## FOREIGN REPORT

## France's non-conformist union leader



M Edmond Maire drops another brick into placid waters.

"Should Edmond Maire be burnt?" the left-wing magazine *Le Nouvel Observateur* asked recently.

The lively, questioning, non-conformist secretary-general of the leftist Confédération Française Démocratique du Travail (CFDT) had just dropped another brick into the placid waters of conventional left-wing thought. It had caused enormous ripples of self-righteous indignation.

In an interview with a provincial newspaper he had said that under present circumstances no matter who was chosen as candidate of the Left, he would be defeated.

Naturally he was accused by the Communists of deliberately choosing failure and playing into the hands of the Right; and the Socialists said he was spreading despondency. Only one Socialist leader has the courage to say that M Maire had only said out loud what almost everyone on the Left was thinking in secret—that so long as the Communists chose to withdraw into their political ghetto, there was no hope for the left at the polls.

This is not the first time since 1974, when he took responsibility for the second largest trade union organization in France, that M Maire has disconcerted left-wing trade unionists or politicians by his unconventional and provocative stand on the great issues of the moment. He was never very enthusiastic about the now defunct Common Programme of the Left. "Anti-capitalism," he said at the time, "does not automatically produce socialism without a conscious mobilization of the workers for a socialist project."

In 1978, after the defeat of the Left in the parliamentary elections, he set in motion a "recentering" operation of his union, designed to reemphasize the frontier between political and labour action, which had become blurred.

He was naturally accused by the Communist CGT union organization of "social democratic deviation", an ironical charge for a trade union leader always branded as leftist in the past because he campaigned for such unpopulous ideas as worker participation in management, and democracy on the shop floor.

M Maire, who is still only 49, does not fit into the accepted categories of French society, left or right. His mind is always casting about for original recipes for old problems and doctrines, compounded with a sharp admixture of realism. He likes playing with new ideas, instead of keeping to well-trodden paths, but he knows when not to push them too far, even if his unruly militants do not.

I asked him why the CFDT was regarded by the overwhelming majority of employers as far more dangerous than its Communist rival.

"Because we put the most difficult questions to the employers. We want to change the organization of work in industry, to give the workers a say in it. Most employers want the unions to confine themselves to traditional issues like wages and conditions, and not question the power

structure in plants. Worker participation is a source of great hope to the working class movement today, by contrast with the perversion of state socialism of the East, and of state capitalism in the developing countries.

"But we must bring it down from the heaven of Utopia to the solid ground of reality. A concrete, very practical approach to worker participation is the best way of solving some of the problems facing modern industrial society, of promoting modern ideas of association, of shared responsibility. It does not mean workers electing their managers, or taking over the control of plants; but it does mean putting away from the traditional view that the experts do the thinking and the people do the work."

Worker participation is the key to M Maire's industrial philosophy—the word is not too pretentious in his case: he has written a couple of books about it. It boils down to the view that you cannot decree change, transform society or industrial relations only from above.

"You cannot come to grips with the present economic crisis merely through nationalizations or social measures," M Maire insists. "Nationalizations are only an instrument. They don't tell you what to do or how. You can only change society by modifying patterns of production and consumption, and international trade."

Change had to come from society itself, from associations, trades unions, parties, and not merely from leaders and institutions.

His condemnation of the nostrums of the common programme of the Left is very similar to that of M Michel Rocard, the challenger in all but name, of M François Mitterrand for the Socialist ticket in the

presidential elections. Both come from the leftist intellectual PSU. Both combine a questioning of accepted left-wing ideas with a startling degree of realism; and for this reason, both are highly suspect to the Communists and the more doctrinaire Socialists.

M Maire emphasized: "You don't change patterns of consumption or production, merely by legislation. You need a strong popular mobilization for a social project. That's why I said the Left had had it if nothing changed."

"Worker participation is a dimension of action, not a distant Utopia. I prefer to look at it as a collective movement, in which everyone has a part to play. Otherwise, it is reaching for the moon."

At present, he thought, there was a strong temptation for all left-wing parties to escape from the harsh realities of the economic crisis into ideology and verbalism, "because the type of solution called for requires the surrender of privileges and established positions. The French Left is trying to win the elections by the addition of discontents. It hopes the mistakes of the Right will insure that power falls into its lap."

"It's a very bad attitude. The Right always has alternative solutions on hand. The Left can only win by demonstrating its virtues and the relevance of its revolutionary proposals. Today, only realism is revolutionary."

Fine theories or mere anathemas were not enough. It was not enough to condemn the country's present leadership if the Left had nothing to propose instead.

In a period of crisis like the present, people were worried, and their reaction was one of conservatism. They were attracted by those who reassured them. There were very efficient forces at work in the present regime. The Left had to appreciate this and the capacity of Frenchmen to grasp economic problems. It was not enough to speak of the "noble and generous left", in the style of the Third Republic, to assure people that wages and the standard of living would go up.

The Left must have a strategy for the reorganization of the textile and steel and shipbuilding industries, for the future of the South-west (threatened by Spain's entry into the EEC), for the development of exports. For instance, in the case of steel, the CFDT acknowledged that all existing jobs could not be preserved, and all production units kept going.

The "recentering" of the CFDT policy meant a break with the line followed until 1978, when the unions were in a position to demand that the government achieve its aims by the Left's victory at the polls. It meant putting trade union logic at the centre of the labour movement again. The unions must act today, for results today in stopping unemployment—not in 1981 or 1983. "Recentering means using trade union logic to take into account the realities of today's economic situation," he declared.

Charles Hargrove

## Population in Asia's giants: Indonesia

## Staggering cost of transmigration

To look at the map, Indonesia does not appear to have much of a population problem. Certainly the total population of the archipelago is some 140 million, but with the people spread over 13,677 islands, running 3,000 miles from west to east, one would imagine that land would not be lacking. To a large extent this is so.

Indeed, over the past five years the rate of population growth has fallen from 3 per cent in 1975 to about the 1 per cent mark. In 1976, it was 1.98 per cent, in 1977 2.02 per cent and last year it fell to 1.9 per cent. This year the figure is expected to be 2 per cent, a figure which the Government expects to hold to until at least 1983.

Indonesia's birth control programme has been among the most successful in the Third World as these population figures show. Other Third World countries, such as Bangladesh, have set teams to study Jakarta's methods.

The statistics of the programme, started 10 years ago in Java and Bali, are impressive, indicating an average 15-18 per cent reduction in births over the period. Of the 25 million fertile women, 70 per cent used the contraceptive pill, which young women start at the age of 15.

Though the map shows an enormous spread of land, it cannot show Indonesia's real population problem: there is a high concentration of population in certain areas, with almost deserted areas in other parts of the country.

The problem is that Java attracts Indonesians from all over the republic. It is far and away the most highly developed area.

It is considered the heart of Indonesia, but it is heart that is being seriously overworked. In 1976, Java was supporting 62 per cent of the country's population on only 6.6 per cent of the land area. This was well over the 70 million population that the island can support, according to Government projections.

The Indonesian answer to the problem is transmigration, a far-reaching and controversial solution. The idea of population transfer in Indonesia is far from new. The Dutch tried it in 1905, but for imperialist economic reasons rather than population pressures, when they moved Javanese to southern Sumatra to work.

The Indonesians took up the idea in 1955, when it was proposed to resettle 40,000 people under a five-year programme. But the project was ill-planned and ill-executed. There was

practically



















## Afghanistan: assessing Soviet strategy and military might

## How Russia could swiftly move in fresh troops

The news from Afghanistan has been bad for everyone except arguably for western military intelligence officers who, contrary to popular belief, detected the first signs of Soviet mobilization several months before the Christmas coup. Moreover the operation has gone according to plan—a Soviet plan maybe, but at least one whose basic pattern has long been understood in the West.

In that sense the Afghan crisis has been an exercise for Nato intelligence techniques and analytical skills, and a vindication of them. Specialists whose job it is to assess the likely pattern of any Soviet offensive against the West will not at least have to return to the drawing board.

Intelligence reports of Soviet activity began to filter through even before the late President Hafizullah Amin seized power last September. Some analysts point to an even more long-standing Russian aim to install Babrak Karmal, whose relationship to the Kremlin resembles that of a dummy to a ventriloquist. But it is doubtful if the Soviet intervention would have been as dramatic without the growing unrest in Afghanistan and the parallel collapse of western investment in Iran.

Reports that Mr Brezhnev opposed the Afghan operation are meanwhile being discounted as the indirect outcome of Soviet propaganda designed to preserve its reputation as the sponsor of détente. Analysts believe that the Kremlin drew up a "worst-case" scenario which took into account both an embargo on American grain and a threat to the Moscow Olympics—and placed its faith in the success of a "cool it" public relations exercise in the spring.

Militarily there is certainly no doubt that the Russians fore-

impinge little upon the overall strength of their military machine. So far little has emerged to dent their confidence.

The Red Army is nearly 2,000,000 strong, and about two men out of three are conscripts serving for two years. With a turnover of 5,000,000 or so conscripts every five years, all of whom belong to various categories of the reserves until the age of 50, the overall size could be more than trebled within a week of mobilization.

Those serving help to form about 173 divisions, according to the International Institute for Strategic Studies (other estimates vary marginally), 47 of which are armoured divisions, with 11,000 in each. 118 are so-called motor rifle divisions with 13,000 and eight are airborne divisions with 7,000. Of these, some 31 divisions are based in Eastern Europe, in East Germany, Poland, Czechoslovakia and Hungary, while the rest are stationed throughout the military districts of the Soviet Union itself, including 46 near the Chinese border.

Not all these are up to strength on a continuous basis. Some, including all those in Eastern Europe, are Category A divisions which are kept in a state of combat readiness, or only slightly below that. Others are Category B which are only at half-strength and the rest are Category C which are at one-quarter strength and are little more than cadre formations, relying upon the mobilization of reserves to make them ready for war. This can be done quite quickly.

Nato's worst-case estimates are that Category A divisions can be brought up to strength in 24 hours, Category B in 48 hours and Category C in 72 hours—and the Afghan operation has largely confirmed these estimates.

For the Afghan operation the



Russian troops pose beside an armoured vehicle on the outskirts of Kabul.

## Western military intelligence officers detected the first signs of Soviet mobilization several months before the coup

Russians used only units from the 24 or so divisions in what is loosely described as the southern districts of the USSR, although the invasion was under the command of a Moscow-based general who is now in Kabul. Most of the divisions are Category C motor rifle divisions, locally reinforced by rapid mobilization of reserves.

Spearheading the invasion was the 105th Guards Airborne division from Eastern Uzbekistan, a Category A unit which was airlifted to Kabul by a fleet of Ilushin-76 Antonov-12 and giant Antonov-22 freighters belonging to the 1,200-strong Air Transport Command. Each A-22 is capable of lifting a T-62 tank.

Together with the 105th in Afghanistan there are now two motor rifle divisions, and a variety of assorted smaller units. Intelligence sources discount press reports of five or even seven full divisions in the country and also believe that estimates of between 80,000 and 100,000 troops are an exaggeration. The total number in Afghanistan is believed to be nearer to 50,000, although other units are mobilized near the Afghan border.

These additional troops could be introduced to the country in the next few weeks—and with

probably be needed if the Russians switch to a concentrated offensive against Afghan tribesmen in the mountains. At present Soviet forces are being used mainly in support of Afghanistan's own forces—or in counter-strikes following assaults by tribesmen on Soviet supply lines.

Such an offensive could be launched in the spring as the

weather improves, unless the Russians decide that it would be wiser to concentrate upon the restoration of relations with the West and the Third World. Certainly at present their objective would seem to be to consolidate their control of key towns and communications while encouraging a return to more-or-less normal life in the country.

Few observers think that they have much chance of eliminating insurgency among the hillmen, and that their only realistic aim must be to bring down the violence to an "acceptable level"—a phrase well known to the Army in Northern Ireland.

How long this might take is itself a matter for speculation. Strictly speaking, the reservists who have been recalled to reinforce the units now in Afghanistan are subject to only three months' service in any one year—except during a state of national emergency. Most were mobilized within a few weeks of the Christmas coup and were probably given a short reinforcement to the military arts before being dispatched over the frontier. Will the Soviet Army keep to the rules and rotate them when their three months' tour is ended in, say, March?

Although MIG-21s and MIG-23s have been involved in air strikes

to support the Red Army—as have the army's own armoured Hind helicopters—the equipment used has been standard Russian issue with little sign of the most modern weapons. Tanks ferried into the country have been T-62s and even T-54/55s with no confirmed sightings of the latest T-72s—despite press reports. Many of the "soft-skinned" vehicles have been civilian trucks, which is normal Russian practice in wartime.

Intelligence sources are drawing the inference that the Russians are treating the Afghan operation as regional adventure and an example to vassal states which might be tempted by Islamic or liberal inclinations to reverse the process of Marxist revolution.

Success in consolidating its position in Afghanistan could, however, tempt the Russians to try it again in a few years' time, should the opportunity present itself. It is unbelievable that the Russians could now contemplate a premature withdrawal from Kabul. But it is also debatable whether the West can contemplate a speedy return to normal relations, leaving the Russians firmly in charge there.

Henry Stanhope  
Defence Correspondent

Geoffrey Smith

## The battle Labour's right must fight

"If we are in business for anything, it is to change and you only do that by trying." This sentence from the first instalment of Mrs Barbara Castle's diaries in the *Sunday Times* is characteristic of much thinking in the Labour Party and points indirectly to one of the principal difficulties now being experienced by the right wing. The week has been dominated by the party's standpoint, by disclosures of the infiltration practised by the Militant Tendency. This and other extremist movements present a double challenge, of organization and of policy.

Much has been heard of the danger that unrepresentative groups may take over the party organization, and of the need to counter this threat by mobilizing the strength of the right and centre more effectively. But parties within the Labour Party are always fought in terms of policy as well as organization simply because there are so many people who joined the party in order to change things. A self-consciously radical party must by its very nature attach special importance to policy.

So what does the right have to offer today to put against the policies not just of the Militant Tendency but of the William Rodgers' call the legitimate left? Essentially managerial competence, which is very necessary in government but not very exciting in opposition.

I have suggested in the past that the Labour Party really has two right wings, the managerial right and the right wing of ideas. But this second wing is in decline. There are a number of reasons for this. One is that a number of its most stimulating figures have left active politics. Anthony Crosland is dead. Mr Roy Jenkins is in Brussels, and he made it clear in his Dimsdaley Lecture that if he does return to British politics it will not be in the cabinet of the Labour Party. Mr Brian Walden has gone to television. John Mackintosh is dead and Mr David Marquand has made his way to academia by way of Brussels.

A second reason is that Crosland's revisionism which provided the philosophical base for a generation of right-wingers has been outmoded by events. The principal theme of this doctrine, which was set out most fully in *The Future of Socialism* in 1956, was that the purpose of socialists should be to bring about greater equality in the broadest sense, economic and social, by means of ambitious government programmes and the redistribution of income. Public ownership was to be a means, rather than an end, of achieving this end.

The trouble with this doctrine was that it assumed a high rate of growth. Without that the strategy was bound to fail, as Crosland himself acknowledged in his essay, *Socialism Now* in 1973. If the resources required "cannot come from the fruits of rapid growth, they must come from higher taxation of existing incomes. But higher indirect taxes put up prices, higher direct taxes provoke compensating claims for higher money wages and salaries. In our slow-growth economy the shift of resources away from personal consumption has been harshly exacerbated by the problem of inflation."

These words have gained added force since Crosland wrote. His prescription can hardly seem relevant at a time of negative growth, public expenditure cuts and dropping expectations. Yet Labour right-wingers have yet to replace it with anything of comparable substance. Instead they have become a group of the anti-left and of efficient management. This is scarcely surprising if one considers how much of their time and energy in recent years has been taken up in repelling the attacks of the left and in the tares of office.

When Sir Harold Wilson decided that he wanted to make Labour the natural governing party he was implicitly giving

Dr David Owen:  
a philosophy in the '80s

But even if such an approach was sufficient in those circumstances for government, I doubt if it would be enough to win Labour's civil war in opposition. Dr David Owen recognized as much when he spoke of the centre and right having neglected the philosophical as well as the organizational development of the party. He went on to advocate a philosophy for the 1980s that would revive "the strand of fraternity and cooperation within the Labour Party", and to propound in particular the cause of cooperative ownership.

His broad theme, his search for a socialism that would not depend upon state capitalism, would seem to me to be along the lines that Labour ought to take. So far as his particular policy of cooperative ownership is concerned, there is certainly scope for its extension. But I doubt if it will expand at such a pace as to form the centrepiece of Labour policy in the next few years. It is likely to seem to most people either too limited or too futuristic to serve the immediate political purpose.

The essential point for Labour's right-wing, though, is that it needs to engage fully in the battle of ideas. It will not defeat the left if it appears to be no more than the anti-left. Nor can it win by organization alone. If it is to regain the initiative within the party it will need to propound themes and broad policies that will kindle enthusiasm for what it wants to do, not just for what it wants to stop the left from doing.

Robert Fisk

## Why Karmal and the Russians should have known better

For hundreds of miles across Afghanistan the villages remain virtually unchanged since the days of Ghengis Khan

Kabul  
The former Darulaman Royal Palace of Kabul stands at the end of a long boulevard flanked by plain trees. A four storey structure of Austro-Hungarian design with brightly-painted yellow walls and arched windows around the main door. Two huge holes smashed in the roof and the blackened frames of the upper windows provide silent evidence of the shellfire which has been deposited on the roof of the palace. The palace is the residence of the President, Hafizullah Amin. Once a "loyal comrade Amin" of the Khalq wing of the People's Democratic Party but now the officially despised Butcher of Afghanistan.

Just who fired those shells is still a subject of much conjecture in Kabul. Amin himself died in a smaller building 300 yards to the south when six armoured personnel carriers directed a torrent of machine gun bullets at the President's offices. Popular though not governmental, the fact is that Soviet troops fired the fatal rounds at the politically bankrupt dictator, ushering in a new phase of the glorious if somewhat tarnished Saur revolution. In any event, Russians now man the long range artillery in the park beside the palace and sit beside the machine-gun batteries on the avenue. It is Soviet, not Afghan, power, that keeps Babrak Karmal in the new and refurbished presidential offices south of the city.

Afghans who take a sanguine attitude towards their tortuous revolution—and the optimists are totally confined to PDP members—regard Karmal's noisy accession as a corrective movement in the new era of socialism. A jolt back onto the path laid down in April, 1978, by the avuncular Nur Mohammad Tarraki whose work was muted by Amin's barbarous ambitions. Tarraki's overthrow of the King's cousin Daoud ushered in a new era of socialist

progress and development, according to the current party line, and Karmal is now pledged to continue this anti-imperialist work on behalf of the people of Afghanistan. Of course, the exotic view of Afghan history bears little relation to the truth. Tarraki was not deeply loved by his people but a president whose secret police locked up thousands of his political opponents and whose most outrageous ideological errors within the party was not Amin but his new political inheritor, Babrak Karmal. It was Karmal who broke away from Tarraki's Khalq (People) movement in the late 60s to form the Parcham (Flag) wing of the party, and there still exists in Kabul's dusty bookshelves printed evidence of Tarraki's distaste for the philosophical Marxist who now adorns his predecessor's "martyrdom".

A red-covered biography of Tarraki, for example, which the new regime has unaccountably refused to withdraw from circulation, carries this unflattering reference: "Babak Karmal, who was rumoured to have connections with the Royal Court, imposed on the party in 1967 a division in accordance with the wishes of the ruling circles and a number of innocent and true patriots were led astray by him and thus kept away from comrade Tarraki according to the wishes of imperialism and the reactionary court."

Karmal's claim to have taken on the mantle of Tarraki's leadership is a claim which is not, however, the bloody

books published under Tarraki's guidance—can be so easily found. And indeed, the record of the PDP since the Saur revolution of 1978 ("Saur" means April) has been one of interrupted social progress and anti-imperialist struggle but of almost constant and bloody internecine feuding. Tarraki was shot by Amin's bodyguard in September, 1978, after himself apparently preparing Amin's own assassination. Amin died last month as the Russians manoeuvred Karmal into power. It was no idle question when a reporter asked Karmal at last week's Presidential press conference how long he expected to live. To how violent party instability have the Soviets allied themselves in Afghanistan.

It is not, however, the bloody

quality of political life in the country that presents the Russians with their greatest difficulty. What threatens their credibility—quite apart from their military intervention—is the almost total failure of each Soviet-backed regime to make the social and material progress expected of a modern socialist state. Only now, it appears, are the Russians beginning to understand the reasons for this failure and to realize that the ideology imposed on comparatively sophisticated societies in Eastern Europe cannot be grafted with the same mixture of loud enthusiasm and brutality upon the uncultured peasantry of Afghanistan.

For this is one of the poorest, most isolated lands in the world with 95 per cent illiteracy, a nation whose feudal unit has been held together by traditionalism and the com-

mon heritage of orthodox Sunni Islam rather than by central government in Kabul. The Soviets should have seen this for themselves. For hundreds of miles across Afghanistan, through the foothills of the Hindu Kush, the villages on each side of the road remain virtually unchanged since the day of Ghengis Khan. Fortified farms with mud battlements lie on plateaus amid the snow, their inhabitants sitting in the shadow of the walls and watching with meditative suspicion the distant foreigners travelling the road to Kandahar. Their lives do not revolve around social aspirations but are governed by the constant pre-occupations of family, religion and the imminence of inherited wealth.

When he seized power in 1978, Tarraki made no attempt to construct any bridging material between this feudal society and the Marxist concept of an equal society that had by now become enshrined in the PDP. His sudden leap from tribalism involved land reform and progressive legislation including the emancipation of women. These potentially beneficial measures, however, only exacerbated the hostility of a people who looked—and to some extent still do look—to the tribal allegiance of a king rather than a bureaucrat supported by a foreign government.

Tarraki's decree numbered six for example exempted peasants from repaying loans to landowners on whose property they

reared. But the legislation took no account of the landowners' right to control irrigation and those who took advantage of the decree found that their newly acquired pastures went dry. When Tarraki's Government introduced adult literacy classes for women, men in the villages refused to allow their wives and daughters to attend. They were supported by the Mullahs and in several towns this opposition took violent form and was ruthlessly suppressed by the army.

There may just have been enough support for his coup for Karmal to have undertaken some measures which would allay the suspicions of the peasantry. The most obvious characteristic of the four principle rebel groups fighting the regime is their lack of unity and although some religious figures, including PIR Ghalibai, have publicly defected to the rebels, Sunni Islam in Afghanistan possesses no hierarchy and so no Muslim leader has come forward to rally the people.

But if there is one common denominator calculated to unify opposition to Karmal it is the historical distrust and hatred of foreigners, an attitude that has been defined over centuries of invasions and attempted occupation. Already this has begun to identify itself in the anonymous Islamic group whose activities in Kabul were reported in *The Times* earlier this week.

It was therefore one thing for Karmal to open the prison gates at Poleschowki and to rid Afghanistan of Amin. It was quite another to do it with Soviet armour. Karmal's arrival in Afghanistan was not in itself resented. His mistake was that he brought the Russians with him.

Robert Fisk

## CHINA DIARY

## Bill posters will be prosecuted

I never knew Democracy Wall when it was the barometer and progenitor of Chinese political thought, every change of poster being scrutinized by the hundreds who milled about it and debated by the press and embassies of the world.

It was a symbol for something important that was stirring in China, but like many such symbols it had to be destroyed. The wall remains, but it is a puny wall, grey, squat and charmless, next to a nondescript bus depot. There is only one poster on it now, saying that posters are forbidden. There was no-one around, except for one couple talking quietly in the shadows.

It is difficult to believe that what was on that wall once stirred the imagination of millions. It lacked dignity, and I was sorry that I had seen it.

## Importing the worst

Peking is a city of three sounds: the swish of a thousand bicycles; the hooting of

cars and buses (the relative sparseness of the traffic far outweighed by the Chinese driver's passion for the horn); and the unrelenting bawling and spitting of the people, apparently being slowly educated by the use of spittoons but with no lessening of the decibel level.

I was not prepared for so many advertising hoardings for consumer products. I suppose it was to be expected that the Japanese would be dominant in advertising their wares, but there were some depressing billboards for local products: toothpaste and cashmere jumpers for instance. They were disconcerting because the smiling girls depicted did not look very Chinese. It was as if the artist had tried to draw an all-purpose but round-eyed Eurasian face so as to make the European feel more at home.

China, is of course, making a serious effort to attract foreign investment and participation, and has opened the country to foreign visitors as never before. In their sincere attempt to make the visitor feel at ease, the Chinese have allowed "western" cultural influences to take root, and I am not sure that they will not regret it.

Disco dancing, for instance, is hardly one of the exports in which the West takes most pride, but there it was, at a ball at Peking's International Club, the Bee-Gee's Saturday Night Fever being played, mainly by local Chinese, with foreigners looking on. Such dancing has only been allowed in Peking for less than a year, but those Chinese permitted to frequent the clubs have taken to it with great charm.

I am not sure whether this was another concession to us, but it grieved me deeply to leave behind, both in Peking and Shanghai, row upon row of beautifully maintained snooker tables unused and ready to play on.

## Tridentine tradition

The Catholic Church in China and the Vatican have been at arms length for 30 years, since Rome, during one of its more virulent anti-communist phases, refused to accept the communion which the Chinese church and Mao's communist regime had reached. Last month, a new Bishop of Peking was consecrated—an event announced by the China news

agency but cold-shouldered by the Vatican.

Left to itself, and not subjected to the modernistic tendencies of the Second Vatican Council, the Church in Peking has happily continued to celebrate Mass in the Tridentine tradition. The lack of vernacular, however, appears to have had a surely unwanted effect: it was noticeable that the congregation at midnight Mass on Christmas Eve was very largely elderly. It was a well-attended—2,000 or so people—and moving ceremony.

An oddity was the apparent lack of a confession, which caused some of our party to go to extraordinary lengths to justify their taking Communion. There was nothing secretive about the ceremony and no feeling that the congregation were acting in any spirit of defiance. So far as we could determine, relations between the Church and the state are relaxed.

## Cantonese capitalism

I was with the first-ever group of British lawyers to visit China. The trip, well organized by the Society for Anglo-



Chinese Understanding, involved numerous formal meetings with various levels of officials and experts. At every meeting there was a constant supply of tea (served in cups with lids, so that it would not get cold). There was, I am sure, a correlation between the

kind of tea we were given and the status of our hosts.

At communes and factories it was a sturdy, strong-leaved brew. Middle-range local officials served us slightly scented, hesitant tea. The most senior political figures on our agenda gave us tea so delicately scented and coloured that it was like drinking hot water. Public kissing and cuddling among the Chinese increased dramatically as we travelled south. There was none of it in Peking, not even couples walking hand in hand, and this was not just because of the cold weather. I was told. Along Shanghai's evocative waterfront promenade, many couples were strolling arm in arm and behaving like courting couples. A small boat on the Pearl River in Canton was much more European. Entwining was rife, and we were duly shocked.

We were shocked, too, by the mercenary nature of the Cantonese, though we should not have been surprised. A city which holds a trade fair, and has close family, and increasingly, business, links with Hongkong must inevitably fall prey to the capitalist influence. It was nevertheless, sad to have the taxi-driver who

had taken us to the river refuse to pick us up again at a stated time unless he was paid the full fare there and then.

## Hongkong connexion

Gloria Vanderbilt, apart from being a lady famous for being rich, is also now a high-class and expensive brand of jeans. I wonder how many wearers realize the conditions in which they are made? In a worker's commune near Canton, we saw a hundred or so women hunched over their sewing machines, putting together denim jeans destined for Minnesota. They were in effect working for a Hongkong businessman under a kind of arrangement which is becoming increasingly popular. The entrepreneur (who was in fact born on that commune before finding his fortune across the border) provides the material, the sewing machines, basic training, and help to buy the jeans. The factory. The commune workers turn the denim into skillfully finished jeans. At the end of five years, the commune keeps the machinery and can use it for its own purposes.

I could not help reflecting that the businessman had got the better of the deal—five-year-old Singer machines is not really payment enough for five years' labour. It was also inspiring to see Chinese seamstresses carefully finishing off their meticulous work by sewing on the distinctive label: "Made in Hongkong."

## Unexpected impressions

My three most unexpected impressions of China: First, the cleanliness of the cities and the people. There are few countries in the world where I would be happy to dine in a workman's eating house. I went into several in China, and not one was less than spotless. Second, how wrong the myth of Chinese impossibility and crudeness. There was a great deal of smiling and friendliness, but even when serious, there was animation. Third, the quality of the light, especially in the north. A hazy translucence is the best I can

Marcel Berlins





New Printing House Square, London, WC1X 8EZ. Telephone: 01-837 1234

## BLOODY WET IN EUROPE

The way that Chancellor Schmidt chose to present his government's position on the Afghan crisis in his statement to the Bundestag yesterday was unfortunate. He bracketed the Afghan problem together with the Iranian one, and pledged West German support for the United States in both cases. He was not as feeble as M. François Ponscet, but that sets an unmatchable standard.

The fact is that the two issues are quite different in character. In the Iranian context it is quite correct to speak of offering support to the United States, since the crisis concerns American diplomats who have been taken hostage. But in Afghanistan there is no particular American interest at stake. There is first and foremost an Afghan interest. Next there is the interest of other states in the region which are potential victims of the next Soviet aggression. Thirdly there is the interest of all those who depend on the Middle East for their energy supplies—and West Germany does so to a much greater extent than the United States. Finally there is the interest of the world in general, which may suffer if the Soviet Union is encouraged to think it can invade other countries with impunity. If Afghanistan, why not?

In asking other Western countries to cooperate in applying sanctions to the Soviet Union, therefore, President Carter is not appealing to our sense of friendship or loyalty as an ally. He is appealing to our sense of self-preservation. He should not need even to do that, because our sense of self-preservation ought to be well enough developed to perceive the threat, and to want to do something about it, without waiting for an American leader to point it out to us. It is particularly unfortunate that, while the British Government clearly does see matters that way, the instinctive reaction of our Euro-

pean partners seems to be that Afghanistan is outside Europe, and therefore an American responsibility, and that the only problem it poses to European countries is to reconcile their twin duties of supporting the United States on the one hand and preventing the unpleasantness from spilling over into Europe on the other.

Of course we all agree that the last thing we want is a heightening of Russian pressures on Europe, particularly at a moment when Yugoslavia may be about to embark on the uncertainties of the post-Tito era. But how best can we discourage the Soviet leaders from attempting to take advantage of any problems that Yugoslavia encounters? Is it by allowing their invasion of Afghanistan, at the alleged invitation of a Communist leader whom on arrival they promptly killed, to pass with more than a censorious clicking of tongues? Or is it by showing them we recognize aggression when we see it, and are prepared to respond to it with firm action even at some cost to ourselves, even at the risk of "jeopardizing détente"?

It really should not need repeating that détente cannot be a one-way process. And it really should not be supposed that détente can be cultivated in Europe if it is ignored in the rest of the world—let alone because Europe is dependent on the rest of the world for many of the raw materials on which its industrial prosperity is based, with oil of course foremost among them. Détente can be successful only if both sides accept its rules, one of which must be that neither side uses force to take over non-aligned countries; and it is now simply clear that the Soviet leaders will not accept that so long as they think the West will let them get away with it.

If one wants evidence of this, one has only to look at the list of

countries which voted with the Soviet Union against the resolution on Afghanistan in the general assembly, and ask how many of them would have done so if the armed forces of either the Soviet Union itself, or one of its other allies had not been used either to put the government in power or to keep it there; and then notice what a fine bunch of them—Mozambique, Angola, Ethiopia, Laos, Grenada and Afghanistan itself—have been brought into the Soviet orbit since détente was officially proclaimed. To these one should add South Vietnam, no longer represented by a separate government, and most of Cambodia, now ruled by the puppet Heng Samrin government, which happily the United Nations does not recognize; and possibly some of those which managed to be absent when the vote was taken, such as Libya and the Seychelles. (Actual abstention must be taken as a sign of at least residual independence.) And one should not forget the coup of 1978 which consolidated Soviet and East German control of South Yemen. During the same period, only Egypt, Somalia and perhaps now Iraq have gone the other way, and in none of those has there been even the remotest hint of Western armed intervention. In all three the same people stayed in power throughout the decade, and are still there. They saw the threat posed by Soviet presence to their independence in time.

The sad truth is that the main European response to repeated Soviet aggression has been utterly feeble—or, as Mrs Thatcher is said to have described it, "bloody wet". The lesson of modern history is that the polar bear moves against weakness, and recoils from strength. The idea that there is safety in weakness when dealing with the Soviet Union is absurd; what is sad is that this European weakness also means disunity.

## THE MARKET PRICE FOR MORTGAGES

The Stow Report on building society finance, recommending as it does that the societies adopt more competitive interest rates, will not please everyone. Not least it is unlikely to endear itself to existing borrowers for whom it is suggesting relatively higher mortgage rates than those to which they have become accustomed. The report is, however, a thoroughly rational document and has two particular merits. It forces the building societies to recognize that their present attempts to apply a concept of interest rate equity between investors and borrowers is highly dubious; and it forces the politicians to recognize that it is pure humbug to call on the societies to improve the flow of mortgage finance while simultaneously urging them to hold down the cost of mortgages.

The gist of the Stow Report is that in the face of inexorably rising mortgage demand during the eighties (particularly with the government's programme of council house sales to be financed), the societies should make it their principal priority to clear the market. In other words, they should see to it that they raise sufficient money to ensure that mortgages are available on demand, and not, as so

often at present, only after many months of queuing.

In spite of the implication of rather higher costs attaching to house purchase in future, the basic recommendation of the report should be viewed favourably. It is consistent with Conservative policy of maximizing freedom of choice by allowing market forces to take their course; it should reduce frustration among would-be home buyers, and reduce the possibility of house purchase chains collapsing; it should help the house-building industry; and it should mean that building society savers have rather more opportunity to achieve real returns.

There are, however, a number of further points that need consideration. First, the precise marginal cost of generating an adequate flow of money into the mortgage market is not clear. What is clear, however, is that despite the societies' estimate that they are roughly two-thirds self-financing in terms of their lending, any attempt to meet total mortgage demand would require the attraction of a significant quantity of new savings. This would tend to raise the general level of interest rates in the economy and lay the societies open to the accusation of increasing industries costs—a develop-

ment that a government committed to market principles would, presumably, have to learn to live with.

Second, the notion of societies meeting mortgage demand in full by becoming more competitive must assume that they will be prepared to make more frequent changes in their interest rates. That may be acceptable for investors but is unlikely to be ideal for borrowers. Certainly, the societies could continue to use their liquidity cushion to prevent too many minor fluctuations in mortgage rate. But borrowers who opted for less frequent changes in mortgage rate, say six monthly or annually, would have to accept the trade-off: rate changes, when they did come, could be quite large.

Finally, it follows from the fact that the overall cost of house buying would rise that a number of people on lower incomes would finally have to drop any hopes of aspiring to home ownership. This is not a problem with any easy solution, but at least the present programme of council house sales at below market prices has opened up the possibility of home ownership to a far larger number of people than would otherwise have been the case.

## A HARSH AND REPRESSIVE REGIME

It is hard to quarrel with the main argument for restoring diplomatic relations with Chile to the level of ambassadors—that British interests are in general best served by having representation at that level, and that having an ambassador in a country is not a sign of approval of its government. President Pinochet's regime does have a particularly brutal record, but it is not significantly worse than a number of other regimes with which we have full diplomatic relations. So on this view Wednesday's decision to send an ambassador to Santiago, is essentially a matter of ending an anomaly. It puts us back in line with the United States and most other west European countries, which have found that having full diplomatic relations with Chile is the best way to bring influence to bear, as well as helping to promote commercial interests.

This rather theoretical line of argument does not however take account of the full implications of the move. The last British ambassador was withdrawn from

Chile because of the specific case of Dr Sheila Cassidy, who was imprisoned and tortured in 1975. But it was generally seen as having a wider significance, as a broad condemnation by the Labour government of the excesses committed by the military regime since it took over power from President Allende in 1973. The decision by a Conservative government to send an ambassador once again suggests either that the Conservatives do not take such a serious view of the behaviour of the armed forces in Chile or else that they consider there has been a significant improvement in human rights there. This, at least, is the way that it will be interpreted both in Chile and elsewhere, and in either case it will give considerable encouragement to President Pinochet and his regime.

The decision is not simply a neutral act, therefore, but one which was actively sought by the regime as a way of improving its abysmal public image, and positively discouraged by members of the democratic opposition, still deprived of all normal means

of expression, who saw it as strengthening the regime. There are, besides, no obvious gains for Britain in it. There is no reason for supposing that having an ambassador in Santiago rather than a chargé d'affaires is going to make it significantly easier for British firms to win civil contracts.

Even the Chilean statement, expressing regret for any improper treatment that Dr Cassidy may have received, falls short of admitting that she actually was tortured, let alone undertaking to punish those responsible. The regime is in fact resisting all attempts to account for the hundreds of people who have been tortured and killed since the military came to power. It has also retained the apparatus of repression which enables it to hold down organized opposition, and still includes torture as a way of extracting information. It is true that it is not the only repressive system in the world, and that we send ambassadors to some of the others. But is that a reason to make it a gratuitous present?

## Christians and politics

From the Reverend C. Gordon Wilson  
Sir, Canon G. B. Bentley (January 8) expresses the opinion that Cardinal Hume's article in *The Times* would have been better for an infusion of Realpolitik. Cardinal Hume can speak for himself if he wishes, but it seems to me that Canon Bentley's letter is so full of worldly pragmatism (which I take it, he means by Realpolitik) that what he means by Realpolitik is that it certainly could have done with a strong infusion of Christian theology. Cardinal Hume did at least enunciate the vital Christian truth that "for Christians, the belief that God became man in Jesus Christ is

the decisive event of human history" and that the consequent belief in man's divine dignity "creates an inescapable obligation to defend and foster all human life from conception to the grave".

This seems to me at least one Christian to be much more in the spirit of Christ than the imperious calculations of the so-called balance of power—especially in the age of indiscriminately destructive nuclear weapons.  
Yours faithfully,  
GORDON WILSON,  
Chairman,  
Anglican Pacifist Fellowship,  
St John's Vicarage,  
14 Dane Bank Avenue,  
Crewe,  
Cheshire.

## Out of this world

From Mr C. E. Carrington  
Sir, Your article of January 12 is correct in naming Mr Springbeak as the fastest man in the atmosphere but wrong in claiming for him a record circumnavigation.  
He did not cross the equator but took a short cut round a sector of the northern hemisphere. Or perhaps I should more accurately say, a slice.  
Circumnavigation implies crossing the equator, or a meridian at two opposite points.  
I am, Sir, etc.  
C. E. CARRINGTON,  
56 Canonbury Park South, N1,  
January 12.

## Intervention or the free market: the price of gas

From Sir William McEwan Younger  
Sir, In your leading article today (January 16) you discuss the matter of the proposed substantial increase in the price of gas, in the context of the large profits made by the British Gas Corporation.

However, you do not identify the basic cause of this situation, namely that not only is British Gas the monopoly supplier, but that, also, a previous Government fixed the price paid by British Gas as well below the going rate elsewhere—there was thus achieved the dual result of inhibiting exploration and production while stimulating consumption—that is exactly what the United States Government did by its control of the prices charged by United States Utilities, with consequences which are now apparent.

That is, surely, why we now find ourselves in the totally absurd position of a demand for gas which cannot be met, and that at a time when very large quantities of North Sea gas are being flared. Further, it is reported that Shell's new major gas discovery in the Norwegian sector will probably be piped, not to the United Kingdom, but by a very much longer pipeline to Western Germany, at a price comparable to the gas which is being flared. Is not the obvious answer to reverse the decision giving British Gas a monopoly, and to allow the price fixed to the producer, to be fixed by normal market procedures. We might well, then, also see a proper development of downstream activities from North Sea gas feedstock.

Yours,  
WILLIAM MCEWAN YOUNGER,  
29 Moray Place,  
Edinburgh.  
January 16.

From Professor Lord Kaldor, FBA

Sir, In your leading article today (January 16), on gas prices, you say that "this country has indulged in muddled thinking about its nationalized industries for too long". The "muddled thinking" arose from the obligation imposed by law (introduced by the Attlee Government) to relate the prices charged for services provided by nationalized industries to the costs of production (including a normal return on capital) and not to charge the monopoly price—the price that "the market would bear". Gas is "underpriced" because oil has become too dear. The rise in the domestic oil price to levels dictated by the sheiks of the Middle East is justified in turn by the argument that this is necessary for the recovery of the oil producing countries to economise on oil and to switch to gas and coal. If the incentive thus provided turns out to be

too great—as shown by the "excessive demand for conversion to gas"—surely the argument is one for reducing the domestic oil price, not one for aligning gas and electricity prices to the ludicrously inflated price of oil.

If, on the other hand, the "unmuddled" principle of nationalized industry pricing is to charge what the traffic can bear, irrespective of costs, then what remains of Sir Keith Joseph's argument that "assessing" should not be asked to foot the losses on steel? If high demand justifies a huge profit on gas, then surely the present low demand equally justifies a huge loss on steel—particularly when the excess profit on the one is ample for covering the losses on the other?

Yours faithfully,  
NICHOLAS KALDOR,  
King's College,  
Cambridge.  
January 16.

From Mr Geoffrey W.W. Pontin

Sir, The price of electricity should rise, the price of gas should not. A purely political decision to give cost parity to electricity and gas (a fossil fuel) must result in permanent, locked-in stresses between the two industries which will never be relieved until it is finally appreciated that the end product of a conversion process (from coal to electricity) is inescapably charged at a higher rate than its input materials (fossil fuels). Conversion efficiencies of 30 per cent are normally quoted.

Electricity is a quite different form of energy to gas (and the other fossil fuels) and the fact that all forms of energy can be used for heating purposes is unfortunate but incidental. Higher grades of energy can always be used for lower grade purposes.

Since we are now taught that energy consumption is a form of sin, it is instructive to note that the church recognises different grades of sin for which different penances are required. In this context, electrical heating is deserving of at least five hail Marys.

Even Marie Antoinette never suggested that the price of flour be increased to line up with the price of cake.  
I am, Sir, your obedient servant,  
GEOFFREY W.W. PONTIN,  
Chairman,  
Control Technology Limited,  
Boley Avenue,  
Peasehaven,  
Sussex.  
January 16.

From the Reverend Dr Chad Varah

Sir, You state that there is no rational reason (at least one) for the public (gas consumers) should pay less for their energy than the other (consumers of electricity).

Of course you are right. But the rational Republic, the outstanding western economic success of recent decades, served with the advantage of sensible, and quite restrictive, trade union legislation. But Lord Balogh, in 1950, complained bitterly of the "obscene" and "iniquitous" policies of Dr Erhardt, which "helped to weaken the trade unions" the "weakness" of which he alleged, "may even inhibit increases in productivity"—(as contrasted with the effects of strong trade unions in this country).

In spite of our marvellous "planning for growth", reality, 30 years later, has turned out rather differently, hasn't it? While the poor in this country, like almost everyone else, have to put up with far lower real incomes, and far inferior social services, compared with their counterparts in the GFR, the only class which has obviously done better for itself has been that which has profited from union and ungodly lobby. Of course, the demands for protective tariff, put forward by the unions and their supporters, are intended further to heighten union power.

Yours faithfully,  
T.W. HUTCHISON,  
75 Oakfield Road,  
Selly Park,  
Birmingham,  
January 16.

## The Ulster conundrum

From Mr P. W. Duncanson

Sir, Discussion of Northern Ireland's constitutional position is greatly hindered by the misuse of words. Mr Cecil Lewis (January 10) refers to the "withdrawal" of the United Kingdom from Northern Ireland. The name "United Kingdom" refers specifically to the new kingdom created in 1801 by the union of the Kingdom of Great Britain and the Kingdom of Ireland. This was modified earlier this century with the detachment of two-thirds of the Irish population to form the Republic of Ireland.

The United Kingdom is now the kingdom formed jointly by Northern Ireland and Great Britain. If, therefore, the union of the territories is ended the United Kingdom will cease to exist.

One can therefore reasonably refer to the withdrawal of Britain from the United Kingdom or, as seen from the other side, the expulsion of Northern Ireland from the United Kingdom.

If the union is dissolved then Great Britain will need to find a new national flag and, unless

those who chose gas, as I did, because it was a domestic product, cheaper than solid fuel, and independent of Arab oil, are now shown to have been prudent. It is not reason, but a false philosophy, which wants prudence to be no more advantageous than fecklessness or foolishness.

The price of gas should not be put up to serve the politics of any. Alternatives should be produced more efficiently to bring their prices down—or rejected by the prudent. Yours faithfully,  
CHAD VARAH,  
St Stephen Walbrook, EC4,  
January 16.

From Mr Gavin Gray

Sir, The philosophy of this Government, according to their many declarations, is based on the free market, supply and demand, without interference by the state. An excellent example of this theory working in real terms is provided by British Gas. This organization provides an efficient service for the customers at a reasonable price and also makes a good profit. Surely, this is a perfect example of the Thatcher/ Joseph ideology in practice.

Why, then, does a Government devoted to the free market and abhorring intervention, interfere with the market price of gas? In your leading article you say "How can this be when British Gas makes such a satisfactory profit?"

Yours faithfully,  
GAVIN GRAY,  
Wentworth,  
Green-Court Road,  
Swanley,  
Kent.  
January 16.

From Mr S. B. Smee

Sir, I write with regard to your article "Gas is not dear enough". I have taken *The Times* since 1936, and of course, for the period when you suspended publication for reasons I have never understood but which appeared to have something to do with the charge of the Light Brigade. During that period I did not miss a newspaper but bought *The Sun* instead.

Sir, be warned. There is a limit to loyalty.

I have gas central heating. We cook by gas. One more article trying to justify the Gas Board putting up the price still further and I go back to *The Sun*. A commodity can be too dear but never too cheap. I am, Sir, yours disgustedly, and of course your obedient servant,  
S. B. SMEE,  
123 Birchfield Road,  
Worthing,  
Sussex.  
January 16.

From Professor G. C. Allen, FBA

Sir, In their criticism (January 15) of the Memorandum (January 9) addressed to Mrs Thatcher and Mr Callaghan, Lord Balogh and Mr Olie argue that it is fallacious to ascribe the British Disease to government intervention, since its symptoms were evident long before that intervention became extensive. But these historical facts are not in dispute. The Memorandum was not concerned with an analysis of the causes of the British secular relative decline. It was addressed to the present problem of inflation, a malady from which Britain was free, in peacetime, until after the Second World War.

The Memorandum's central proposition was that the monetary policy that is being applied as a remedy against inflation is being frustrated by monopolistic practices and that these practices and many transactions in goods and services in both the public and the private sectors. Unless these practices can be got rid of, some degree of flexibility restored to prices and costs and the power of vested interests to resist change overcome, monetary policy can at best provide only a partial solution and inflation will remain with us.

Yours, etc.  
G. C. ALLEN,  
13 Birchfield Court,  
380 Banbury Road, Oxford.

Northern Ireland takes the status of a kingdom under Her Majesty, a new Royal Standard.

Conway to what is stated by Mr Olie and Mr Lewis (January 11) the possibility of an independent Northern Ireland has been suggested. There is a local political group dedicated to this, and a few years ago civil servants of the Northern Ireland office under the Secretary of State Mr Lyell Reeves were actively canvassing the idea. Very few people could see any merit in the idea.

However, I suspect that when many people in Great Britain refer to the benefits of independence for Northern Ireland what they really mean are the benefits to Great Britain of independence from Northern Ireland.

It would be of great service to the people of Northern Ireland if those in Britain who wish for independence for Great Britain would say so plainly and openly.

Terrorists thrive on a diet of mixed words.  
Yours faithfully,  
P. W. DUNCANSON,  
Lisburn,  
County Antrim.

## Protecting freedom

From Mr Paul Sieghart

Sir, Lord Shawcross (January 11) has met Mr Bembloo's point (January 9) only in part.

The list of converts to the notion of a modern Bill of Rights on our statute book grows apace. Lord Hailsham, Lord Denning and Professor Dainton, once articulate opponents have now all joined it. Mr Bembloo objects that such a law would "necessarily consist of vague statements of principle, subject to equally vague exceptions", which someone would have to interpret.

Quite so: that has been the case in every one of the world's countries which (unlike the UK) have followed the example first set by France in 1789 and the USA in 1791. The US Supreme Court has accumulated a wealth of experience in interpreting just such "vague"

legal provisions. So have the constitutional courts of dozens of other countries.

So, over nearly 30 years, have the European Commission and Court of Human Rights, interpreting the European Convention which would be the leading candidate for the text of a new Bill of Rights of our own.

Why should our judges fail, when all those others have succeeded? When I once asked a distinguished member of our judiciary whether he and his brethren would find it difficult to interpret the European Convention if it became part of English law, his reply was: "Yes, at first we would. But we would soon learn. After all, that's what we're here for".

Yours etc.  
PAUL SIEGHART,  
6 Gray's Inn Square, WCL,  
January 14.

## A tower opposite the Tate

From Mr E. L. Howard

Sir, The Archbishop of Canterbury in his letter to you (January 16), complains of "lack of publicity" for the proposed European Ferries building at Vauxhall Cross. In reality the developers, and we as their architects, have taken considerable pains to secure publicity.

Quite apart from normal statutory advertisement, European Ferries mounted two public exhibitions (one of them within 100 yards of the Archbishop's London residence), sent a full press statement to national and London evening newspapers, and the local authority notified more than a dozen bodies concerned with environmental and amenity questions. Moreover, the BBC's *Nationwide* programme televised part of the first day of the public inquiry (December 11).

The Archbishop and his co-signatories also refer to the building as "the Green Giant" and describe it as clad in green glass. This is not so. It will be clad in a light tinted glass giving an appearance of transparency, and though a final decision as to the extent of the glass is yet to be taken, we cannot use green glass because it would fail to protect the exhibits in the gallery spaces.

The proposal is, incidentally, to house some of the Tate Gallery's modern art there; it is not and has never been proposed to put the Turners there.

It is a great pity that the Archbishop and his co-signatories have not been present at the inquiry, either in person or by written representation, or (with one exception) communicated with the Inspector presiding. None of the scheme's critics have yet to encumber their minds with the full facts, which we would have been happy to assist them in clarifying.

We have brought both the Archbishop's letter and the previous day's letter from Lord Duncanson to the attention of the Inspector. Yours faithfully,  
E. L. HOWARD,  
Abbott Howard,  
1-2 Bromley Place,  
Conway Street, W1,  
January 17.

## Access to Public Records

From Dr Charles Cruickshank

Sir, The debate on the closure of the reading rooms in the Public Record Office in Chancery Lane is an interesting example of the principle that most of us are happy to see public expenditure cut so long as it does not touch our particular interests. The case against closure is based on two main considerations: inconvenience to readers; and danger to records carried between Chancery Lane and Kew.

I do not share the alarm and despondency generated by the latter. Magna Carta has survived a turbulent seven centuries. Domesday Book has done even better. In any case the few reasonably-worthwhile documents could still be read in Chancery Lane, leaving the bread and butter material to shuttle between Chancery Lane and Kew with a risk of theft or damage which is perfectly acceptable. Moreover, if the records most in demand are moved to Kew, only a tiny handful will have to run the gauntlet of terrorism, incineration by accident, simple hijacking, etc. etc.

The second consideration—inconvenience to readers—is less important. The efficiency of record production at Kew and the admirable facilities there are such that the average reader can increase productivity even if more time has to be spent commuting to Kew.

I might add that my own private fear, which I have not hitherto found it necessary to communicate to your readers, although I believe there is more substance in it than those which trouble Professor Davis, is that a Jumbo jet bound for Heathrow might have the misfortune to crash land on the splendid building at Kew and demolish the nation's records in a matter of hours. However, I would not argue that this makes a case for moving PRO Kew—or alternatively London Airport—to the Outer Hebrides.

Yours faithfully,  
CHARLES CRUICKSHANK,  
15 McKay Road,  
Wimbledon Common, SW20,  
January 14.

## Future of motor industry

From the Group Managing Director of Rolls-Royce Motors

Sir, Responding to the suggestion by the Managing Director of Dunlop Holdings (January 10) that satisfied users of BL products should stand up and be counted, Rolls-Royce Motors have an all BL fleet of cars and trucks.

In the nine years since our new company was formed, early in 1971, we have converted virtually all models of BL cars and trucks and our transport management assure me that the performance of these vehicles has been thoroughly satisfactory, and in terms of operating cost and overall value for money, they see no virtue in changing the present policy.

Yours faithfully,  
DAVID PLASTOW,  
Group Managing Director,  
Rolls-Royce Motors Limited,  
Crewe,  
Cheshire.  
January 10.

## Dashed hope

From Lady Le Bailly

Sir, One of the more pleasant aspects of the return of *The Times* was the hope that we should see and hear less of your Political Editor on television.

It seems a pity that he wastes so much of your valuable space (January 12) grilling about Mrs Thatcher's magnificent interview with Brian Walden. But the splendid way in which the former wiped the floor with Mr Emery some months ago remains a happy memory for many of us, however much it clearly still rankles with him.

Yours faithfully,  
PAMELA LE BAILLY,  
St Rudy,  
Cornwall.







# THE TIMES

## BUSINESS NEWS

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**Dollar**  
Index 84.7 up 0.1

**Gold**  
\$760 an ounce up \$5

**3-month money**  
Inter-bank 16 1/2 to 16 1/4  
Euro 13 1/2 to 14 1/4

### IN BRIEF

## Dixons plans complete disposal of Westons

Dixons Photographic is on the verge of a complete withdrawal from the retail pharmaceutical business just four years after it paid £10.5m for Westons, the United Kingdom's second-largest chain of chemists.

Sales of 141 Westons' shops are currently at various stages of negotiation and buyers will soon be sought for the remaining 20 outlets. At the same time Dixons is well into a reorganisation programme for Westons' wholesale division, designed to reduce the existing number of depots from 27 to 12.

Mr Egon von Greyerz, Dixons' financial director, said that the sales could produce a gross figure of something over £12m. Most of the shops are being sold to individuals although several according to Mr von Greyerz have been bought by Westons' former chairman, Mr Ralph Weston, who is now with Combined English Stores.

Financial Editor, page 19

## Industry Bill progress

The Industry Bill, which drastically reduces the powers of the National Enterprise Board and the Scottish and Welsh Development Agencies, has completed its committee stage in the Commons.

## Polystyrene prices up

Shell Chemicals UK and BP Chemicals say that will increase polystyrene prices from February. Shell said crystal grade polystyrene will be raised to £670 from £625 per tonne, BP's increases will be to the 8 to 10 per cent range, with variations in other European countries.

## Shares disposal

Mr Neville Johnson, who resigned as chairman and chief executive of the furniture group Kitchen Queen on Wednesday, sold the major slice of his shares at 10 1/2p, less than half the market price on that day.

Financial News, page 20

## Consumer spending up

Consumer spending rose by 14 per cent between the third and fourth quarters of last year, after seasonal adjustment. First preliminary estimates show that spending rose in most areas which had been depressed in the third quarter.

Table, page 18.

## Esso puts on 4p

Esso has raised the price of its four star petrol from mid-night by 3.5p a gallon which will mean an extra 4p to be paid by motorists at the pumps.

## Thorn-Necchi venture

Thorn Domestic Appliances is to form a new £5m company with Necchi of Italy to make factory hermetic sealed compressors for refrigerators and freezers in County Durham.

## £3m order for Decca

The Ministry of Defence has placed a £3m order with Decca Navigator for the installation of doppler navigation systems in Royal Navy Sea King helicopters.

## Wall Street easier

On the New York Stock Exchange, the Dow Jones industrial average was down 1.62 to 863.57. Against the S&P, the dollar stood at 1.32065 and the pound at 0.583455.

## Textile industry leaders' plea to keep short time aid

By John Huxley  
Attempts were being made yesterday by textile footwear and clothing leaders to avert a Government decision to end its scheme of short time working assistance for the industries.

It is feared that an announcement that the scheme is to end will be made by Mr James Prior, Secretary of State for Employment, within the next few days. MPs are likely to question Mr Prior over the future of the scheme today.

The scheme, which reimburses employers for wages paid to workers on short time, came into effect on April 1 last year. It has helped employers to protect more than 40,000 jobs, 15,000 of which are in the hard-pressed textiles industry. It is understood that the total number of people to have benefited from the scheme may be about 120,000.

Short time working assistance was introduced after the Labour Government was forced, reluctantly and under pressure from other members of the European Community, to end its system of temporary employment subsidy (TES).

About 9,000 applications relating to 54,000 jobs have been made for TES, which was introduced primarily to mitigate the effect of adverse trading conditions in the textile, clothing and footwear industries. It was wound up in March 1979 after protests from within the Community that TES while saving jobs, represented a subsidy to industry.

A decision to stop giving short time assistance is believed to be favoured by the Department of Industry, which has in the past signalled its dislike of measures which prop up ailing industries.

Leaders of industries to benefit from short time assistance think it less effective than TES as a means of protecting jobs since payments to companies are made retrospectively.

However, withdrawal of assistance could do considerable damage to the industries which are suffering from a downturn in trade and the effects of cheap imports, high interest rates and adverse exchange rate movements.

Leaders in each of the three sectors have written to Mr Prior urging him to postpone the ending of assistance for another year. Then, they say, a further review should be made.

Mr Bob Lloyd-Jones, director general of the British Textiles Employers' Association, said that the ending of the scheme would hit the textiles industry severely.

"Any idea of abandoning the scheme now would make already difficult conditions for textile mills absolutely impossible in many cases," he said.

Mr Lloyd-Jones said that the textile industry would run the risk of losing a large part of the textile industry, much of which was producing efficiently.

The withdrawal of assistance would particularly hit smaller companies in the textiles, footwear and clothing industries which do not have the resources to sustain a reverse in trading conditions. Workers may now have to be made redundant rather than retained on short time working as in the past.

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## Rhodesian windfall for Turner and Newall

By Rosemary Unsworth  
Turner and Newall, the Manchester-based asbestos and motor components group, has discovered that its Rhodesian subsidiaries made profits of £29m during the 14 years of UDI.

After a recent fact-finding mission by the group's financial team, T & N found that the companies, which operate three asbestos mines and manufacture construction and industrial materials, had boosted net assets from £6.3m in 1965 when the first accounts were consolidated, to £32m based on aggregate figures for the subsequent years to December 12, 1979.

The mining section contributed £35m during this period while the manufacturing side made £14m. In addition, the mining company management invested in three small gold mining joint ventures which T & N predicts, will provide £333,000 profits in 1980 on top of the £12m forecast for the other Rhodesian operations.

However, Mr Stephen Gibbs, the group's chairman, gave a warning that the forecast had been made on the assumption that all hostilities would cease and that there would be no major interruptions.

He stressed that the forecast would only hold if profit margins were not undermined by "excessive inflation or other unforeseen circumstances".

The projections include a £6.6m depreciation charge and capital expenditure in 1980 is estimated at £20m on top of another £16.6m which has already been committed.

Mr Gibbs said the group was unable to announce any dividend policy from the Rhodesian companies until after the March 28 election, as case accumulated dividends would not be paid. The local management has used the cash flow in the 14 years of UDI for reinvestment to improve mine working conditions, increase production and to acquire a number of local companies.

Financial Editor, page 19



Gold fever: queues formed early outside the offices of bullion dealers Johnson Matthey and Jay and Sanford in Hatton Garden, London, as people took advantage of the record price of gold to sell family heirlooms and jewelry.

## Gold tops \$800 level in New York

Gold pushed through the \$800 an ounce level last night in New York on the back of strong institutional buying.

Dealers on both sides of the Atlantic report that the bullion markets seem to have taken off into another world as feverish buying grips investors in London and New York.

The metal swung back into favour after the price fell on the overnight Hongkong market and dropped \$25 on the London morning fix. But by the afternoon buyers were back and

dealing was hectic as the price soared to record levels.

In London it closed at a new high of \$760 an ounce. Dealers were astonished that the price had rebounded so quickly after its early fall of more than \$25 an ounce. But within hours the price in New York had raced ahead to break the \$800 level.

Washington correspondent reports that much of last night's activity was due to a backlog of orders, especially from private investors, which has built up over the last two or three days. These orders, he

says, could not be satisfied and the price surge simply reflects the satisfying of these orders.

At one point gold prices reached as high as \$820 before falling back to an average of \$802 an ounce at the New York close.

Here at home uncertainty over the health of President Tito is now an additional factor in the gold market. It joins Iran and Afghanistan in the list of reasons that investors are moving into gold. And no one is willing to say what or when the gold price will stabilize.

## Slow down in money growth

By John Whitmore  
Financial Correspondent

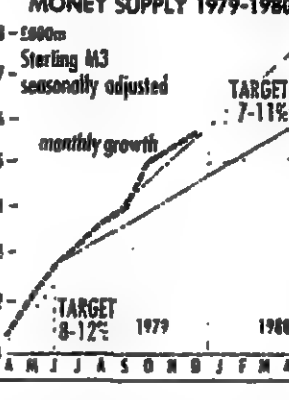
The money supply grew by 0.4 per cent in the December banking month, confirming earlier indications that the rate of monetary expansion now appears to be slowing down.

Even so, the monetary authorities and financial markets are treating the figures with considerable caution and will want to see several further sets of figures before they will feel that an improved trend has definitely been established.

Certainly, the Government is unlikely to countenance any cut in short term interest rates until it considers that there is no risk that it might have to reverse such a decision later in the spring.

View of the December figures made little impact on the gilt edged market, the likely outcome for the December banking month already having been indicated closely by the Bank at the time of the eligible liability figures last Tuesday.

The market was more preoccupied yesterday with consolidating its recent gains, absorbing profit-taking by domestic and overseas investors. The market's main short term preoccupations now are whether or not the Bank



will announce a new gilt issue this afternoon and the course of events in the steel strike.

On the face of it, a rise of only 0.4 per cent in sterling M3, the broad-based measure of money, is encouraging. It lowers the annualized rate of growth in the first six months of the present target period to 11 1/2 per cent, leaving a reasonable possibility that, after the recent spate of gilt edged sales, the annualized rate of growth in the seven months to January will have edged just inside the

top end of the Government's 7-11 per cent target.

Banking December is always treated with caution, however, since it is only a three week period—this year the three weeks to December 12. Furthermore, the Bank of England suggests that the apparent slowing down in the rate of growth of bank lending to the private sector—£212m last month against a recent monthly average of some £200m—may have been misleading, partly because of the lower level of PAYE payments that had to be financed.

Bank lending to the private sector was, however, the main contributor to domestic credit expansion last month. The public sector contribution was under £70m, a very large Central Government borrowing requirement of £1,470m (seasonally adjusted) being offset largely by public sector debt sales. Net gilt sales to the non-bank private sector totalled £1,134m.

Overall, DCE amounted to £253m, much the smallest monthly figure in the present financial year. On the other hand, external and foreign currency finance was a positive factor (£156m).

The assumptions upon which the working party has based its conclusions are that a huge increase in net receipts will be necessary in 1980. The estimates are that a monthly net inflow of £510m will be needed this year, rising to £680m next month by 1985.

There is also the new factor of council house sales. The Government has indicated that it would like some of these to be financed out of building society mortgage finance. If societies are asked to finance £5,000 council house sales a year, they will have to provide another £50m net a month.

Keeping the door open, page 19.

## Deposits fall at London's US banks

Bank of England figures show that the sterling Euro-currency deposits at American banks in London dropped by nearly £2,800m after the United States decision in November to freeze Iranian state assets.

Foreign currency deposits from abroad at American banks in London fell to \$67,551m from \$70,414m in the three-week period. Taking all other categories of London Banks together, overseas deposits rose

to \$169,573m from \$167,160m. There may have been some switching of deposits at American banks in London to London banks of other nationalities as well as withdrawals from United States banks.

An official at one American bank said that the United States freeze and action by Chase Manhattan Bank to bring Iran into default on a \$500m loan probably unnerved many large Middle East depositors.

Bank of England statistics also showed that sterling deposits at the London dollar certificate of deposit (CD) market slowed in the three weeks ended December 12.

While the amount outstanding ended slightly higher, another record of \$43,425m the gain in the three-week period came to only \$146m.

In the previous five-week period, the amount outstanding rose by \$1,773m.

## Lonrho bid may hinge on Rhodesia election result

By Philip Robinson

The Rhodesian elections could determine whether Mr Roland "Tiny" Rowland's trading giant Lonrho ever takes full control of Harrods, part of the House of Fraser stores group.

Shares of Fraser, sensitive for months awaiting the widely expected bid from Lonrho for the 70 per cent it does not already own, were the most active traded stock yesterday and jumped 10 to 135p.

But it is understood that any move by Mr Rowland will not be made until after Lonrho's quarterly results and the Rhodesian elections, both due next month.

City sources say that Lonrho will bid if Mr Joshua Nkomo is victorious in Rhodesia. Mr Nkomo's pro-western sympathy could benefit Lonrho, which has important interests in Rhodesia, and enable it more easily to afford Fraser.

It is thought Mr Rowland has already been offered 300p a share for his stake in the House of Fraser from two separate sources but has turned down both.

Last night Mr Rowland, through fellow director Mr Paul Spicer, said: "I refuse to comment on speculation."

Mr Rowland and Sir Hugh were among guests at a private dinner party on Wednesday night.

Sir Hugh said from his Glasgow office after travelling back from London that he had a dinner with Mr and Mrs Rowland.

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## EEC decision too late for White Paper

By Caroline Atkinson

The Government is likely to assume, in its next spending White Paper, that it does not get £1,000m topped off its EEC budget contribution.

Some clear that EEC heads of state are unlikely to reach a decision on the Community budget in time to include its effects in the White Paper.

This is expected to be published around March 28, about a week before the Budget, which is to be on March 25. Spending decisions have to be taken several weeks before the publication date of the White Paper.

It now seems that the Government will aim to chop about £1,000m, or perhaps a little more, off its spending plans for next financial year 1980-81.

The Prime Minister said recently on television that she would like to get £2,000m off the spending bill for next year. However, it was hoped that about £1,000m of that would come from wiping out Britain's EEC contribution.

Ministry still hope to get this contribution slashed, but this will probably come as an added bonus for the Budget, rather than be included in the official spending plans.

The Government's decision to reopen its already published plans for spending next year have led it into some timing difficulties. It is now likely that new plans for 1980-81 will first be announced next month.

possibly in a series of departmental announcements. They will then be published all together in the March White Paper which will include plans for later years up to 1983-84.

The reason for the piecemeal announcements is that spending bodies have to know how much money they must cut off their programmes as soon as possible. The Government is anxious to avoid leaks of their plans, which will be more likely if they have to tell local authorities, for example, to revise their plans for next year. Hence the Government would rather publish next year's cuts in February.

One possibility is that the Cabinet has decided to chop housing spending through the loans sanctions for local authorities building and through urging councils to push up rents. They will be instructed the local authorities as soon as possible.

The early Budget will round off the rush of economic policy making. Although it is likely to be a hard Budget in the sense that the Government will not give large, if any, net handouts, it is increasingly likely that income tax cuts will be included in the Budget.

The Chancellor last night emphasized the Government's desire to reduce its net contribution to the EEC in a speech to the French Chamber of Commerce.

## Controversial chairman of US corporation departs a year early

## Mystery surrounds ITT's change at the top

Did Mr Harold Geenen, one of the most dynamic and controversial American businessmen of the last two decades, resign as chairman of International Telephone and Telegraph Corporation of his own accord, or was he pushed?

And just how much money did Mr Geenen obtain from the board in return for the contract that assured him the chairmanship to the end of this year?

More often than not there is an element of mystery about the activities of Mr Geenen and ITT and his departure from the top post is no exception.

ITT's board formally confirmed this week that Mr Rand Araskog, aged 48, has taken over as chairman. Mr Geenen will remain a director and has been given the title of chairman emeritus.

The announcement marks the end of an era at the eleventh largest industrial corporation in the United States.

When Mr Geenen became president of ITT on leaving the Raytheon Company 20 years ago he joined a modest enterprise.

Sales rose from \$765m in 1959 to \$19,400m in 1978, while earnings rose from \$29m to \$652m. The growth was largely



Mr Araskog: as tough an individual as his predecessor?



Mr Geenen: retains link with ITT as chairman emeritus.

due to acquisitions: Sheraton Hotels, Avis Car Rental, Hartford Insurance and others that were frequently proved controversial.

At the same time Mr Geenen built up a global empire that some observers believe has acted as if it were a political power in its own right. From Santiago to Washington ITT and its chairman have been at the centre of dramatic political events.

Mr Geenen, who will be 70 on Tuesday, has been preparing to leave ITT for some time. At the end of 1977 he appointed Mr

Lyman Hamilton as chief executive but last summer it seemed the chairman was unhappy with his chosen successor's performance and Mr Hamilton departed suddenly from the ITT skyscraper.

Mr Araskog, who joined ITT in 1966 from Honeywell after a stint at the Department of Defence, took over from Mr Hamilton last summer. Some ITT executives suggest the new chief is just as much a tough individualist as Mr Geenen.

Some press reports said that the board wanted Mr Geenen

to resign earlier but others suggested that he decided to leave now to devote more time to other ventures.

Mr Geenen apparently decided some time ago to lead a group of individuals in a venture capital enterprise while still heading ITT. In November this private group bought Allied Chemical Corporation's coke plant in Kentucky for an estimated \$100m. A report in the Wall Street Journal last month noted that ITT itself had considered buying this plant.

It is against this background that speculation has developed that directors of ITT politely sought Mr Geenen's resignation, claiming that his private businesses were in conflict.

Mr Geenen earned a total of \$12.7m in 1978 in salary, benefits and bonuses from ITT and his contract assured him an assortment of benefits plus at least \$850,000 in cash this year.

American press reports that the board bought his contract for \$5m have not been substantiated. Nobody at ITT is talking about how much their former chairman was given to quit.

Frank Vogl in Washington

## No prospect of lower mortgages this year

By Margaret Stone

Building societies should be able to meet future demand for mortgages from traditional sources, provided the interest rates to both investors and borrowers are competitive.

This is the key verdict reached by the working party set up last August by the Building Societies Association, under its previous chairman, Mr Ralph Stow, to examine mortgage finance in the 1980s.

However, this solution to the problem of the mortgage queues, which triggered off the inquiry, means that existing borrowers are unlikely to see any fall in their mortgage repayments this year—even if interest rates in general fall.

The Stow report said that, in these circumstances, "societies should hold their interest rates until such time as mortgage demand is being reasonably met". It added: "If the general level of interest rates does not fall or rises further, then a further increase in building society rates will need to be considered."

Mr Leonard Williams, present chairman of the Building Societies Association, said that "some sort of equilibrium" had to be struck between investors, borrowers and prospective borrowers.

The speed with which societies can move to a competitive interest rate structure, depended very much on the general level of interest rates, he said.

Mr Williams acknowledged that with the recent large increases in M.R.S. "societies cannot immediately move to a fully competitive position as this would pose an undue burden on existing borrowers".

The working party examined various proposals that the societies should raise money from the wholesale money markets as well as the private sector.

However, it concluded that these borrowings would affect their traditional savings market and that in general the capital markets provide "no genuine alternative source of long-term funds for the industry as a whole".

The report does, however, suggest various ways of improving the flow of funds. In addition to improving the range and conditions of term shares, marketable term shares and a building society certificate of deposits should be considered.

The assumptions upon which the working party has based its conclusions are that a huge increase in net receipts will be necessary in 1980. The estimates are that a monthly net inflow of £510m will be needed this year, rising to £680m next month by 1985.

There is also the new factor of council house sales. The Government has indicated that it would like some of these to be financed out of building society mortgage finance. If societies are asked to finance £5,000 council house sales a year, they will have to provide another £50m net a month.

Keeping the door open, page 19.

ANGLO

## Transvaal Gold Mining Companies

ADMINISTERED BY ANGLO AMERICAN CORPORATION

FINAL DIVIDENDS—FINANCIAL YEARS

ENDED DECEMBER 31, 1979

On January 17, 1980, dividends were declared in South African currency, payable to members registered in the books of the undermentioned companies at the close of business on February 1, 1980, and to persons presenting the relevant coupons detached from share warrants to bearer. A notice regarding payment of dividends on coupon No. 78 detached from share warrants to bearer issued by The South African Land & Exploration Company Limited will be published in the press by the London Secretaries of that company on or about January 25, 1980.





## Mitsubishi, Nissan look to US and Italy

Mr Yoshitoshi Sone, president of Mitsubishi Motor Corporation said in Tokyo that he is to visit the United States next month for talks with Chrysler Corporation on closer links, including a joint development of small trucks which Chrysler wants to market in the United States from 1983.

Chrysler at present has a 15 per cent stake in Mitsubishi.

He said the proposed establishment of a new sales network for Mitsubishi cars in the United States market will be taken up at the coming talks.

Nissan Motor Company also says it is discussing a possible linkup with the Italian Alfa Romeo concern. Sources said negotiations between the two companies were believed to involve the joint development of economy engines for small cars.

### Montedison plan

Montedison SPA has reached a rough agreement with the state energy group Ente Nazionale Idrocarburi and the Italian government on how to restructure its loss-making synthetic fibres operations. Industry sources in Milan say. The plan is being submitted to Montedison's creditor banks, which will have to put up at least half the fresh capital involved.

### Greek banks strike

Greek bank workers have begun a 10-day strike that is expected to bring the nation's economy to a near-standstill. The action is in support of 30 per cent pay increases and a return to former working hours. The government has limited wage increases to 11 per cent in an effort to hold down inflation.

### Bonn steel pay offer

Metal employers in Suedwestfalen - Hohenzollern have offered a pay rise of 4.3 per cent to 130,000 workers in the region's metal industry. An identical offer has been made in North Rhine-Westphalia. The metal workers union, IG Metall, wants an increase of 10 per cent. Negotiations are continuing.

### EEC oil price surge

The European Community price of imported oil shot up sharply in the three weeks ending January 7 as a result of the increases decided in December by the oil cartel. The Commission's latest oil bulletin issued in Brussels shows. The total increase shown is 109 per cent, up from 92 per cent three weeks earlier.

### \$243m pipe deal

Four Japanese steel companies have reached agreement to export to Saudi Arabia about 260,000 tonnes of steel pipes worth nearly \$243m (about £107m), industry sources in Tokyo say. The companies are Nippon Steel, Sumitomo Metal Industries, Nippon Koken and Kawasaki Steel.

## Electrical equipment makers face hold-up over approval certificates

# Inquiry into safety test delays

Serious delays in issuing safety certificates by the British Approvals Service for Electrical Equipment in Flammable Atmospheres (BASEEFA) are to be investigated. The Government has set up a study group of industrialists to look into the delays in the issuing of safety approval certificates for equipment made by British companies. Some companies who applied for certificates three or more years ago still have not received them.

Until companies get certificates it means their goods cannot be offered for sale either in this country or abroad. The effects on the export trade in particular, a sector in which British companies have a high reputation, will be an important part of the investigation.

During the past year companies have been turning to official testing organizations in other EEC countries to get clearance certificates, but there are difficulties in doing this and many feel that the value of a British certificate is greater.

Mr Patrick Mayhew, Under-Secretary of State for Employment, who has set up the study group under the chairmanship of Mr Denis Johnson, a director of Tube

Investments, has given an indication of the scale of the delays at BASEEFA. The organization has its headquarters at Buxton, Derbyshire, is staffed by civil servants and administered by the Government's Health and Safety Executive.

Last October the number of applications awaiting approval at BASEEFA numbered 760. Only 30 per cent of the applications received during 1979 up to October had been cleared by then, and there were 46 per cent of the 1978 applications and 23 per cent of the 1977 applications still outstanding from the previous year.

The study group has already been told of one application still outstanding from 1973—the year after BASEEFA was established—but some applications are dealt with within six months.

Although there is no question in the industry about the high standing of BASEEFA's work there have been difficulties about delays almost from its inception. One of the issues the study group will consider is whether staff should be increased, although the situation is regarded as being so serious that temporary arrangements with other testing facilities in this country may likely to be considered.

Equipment tested by BASEEFA covers a wide range of items, from flame-proof motors, switches and starters to underwater flameproof television cameras. Much of the equipment is used in petrochemical installations, including oil rigs, and in mines.

Because some of the equipment is heavy it makes it difficult for companies to test-pass BASEEFA and send products for testing on the Continent. Hundreds of companies are involved, from giants like the General Electric Company to many smaller ones.

Mr Johnson, a former president of the British Electrical and Allied Manufacturers' Association (BEAMA) which has campaigned for Government action on the delays, said that more companies appeared to have applied to EEC countries for certificates. Last year BASEEFA received only 419 applications—within its capacity of around 500 a year—but true demand had been estimated at about 900.

"The delays are a serious restriction on business. It could easily lead to a demotivation of research work," Mr Johnson said.

Derek Harris

## £1,477m spending plan by UK brewers

By Our Commercial Editor

Britain's brewers are to invest £1,477m in the next three years, more than £880m of it in the retailing sector of the industry where it will be used to develop and improve public houses.

This was announced yesterday by Mr Derrick Holden-Brown, chairman of the Brewers' Society, who said the investment was being undertaken despite forecasts that the beer market would show marginally slower growth in the eighties compared with the past two decades. A growth of 2 per cent a year is expected, making a market of marginally over 50 million bulk barrels.

This year the brewers have revised their earlier forecasts down to 4.3 million bulk barrels. This takes account of the worsening economic conditions and expected customer

resistance over the recent round of price increases. But they are making the assumption that the summer will be better than the past two years.

This year brewery investment will be around £500m, half going into the retail trade and the rest into brewery plant and distribution. The 40 per cent balance of the three-year investment plan will also go into increasing brewery capacity and distribution improvements.

Much brewery investment has gone to increasing larger capacity which, if this growth market slowed, could still be used to brew ales or other beers.

Lager accounts for about 30 per cent of the market but some observers have been forecasting a slowdown. Premium home market in lager could be near saturation point, it has been suggested.

But Mr Holden-Brown said



Mr Derrick Holden-Brown: Lager most important growth product.

larger continued to be the most important growth product, with segmentation into several lager types now happening. Premium grades were taking more of the market and sales of the lighter lagers were also growing in volume.

## Watney forced to close beer bottling plant

Bottling of beer at the Raven Row, East London, plant of Watney Mann, part of Grand Metropolitan, is to stop in April with the loss of 300 jobs. Serious corrosion has been found in part of the metal skeleton of the 50-year-old building and repairs have been found to be impracticable.

Raven Row is an important

bottling centre for Watney, and the company's other plants will be able to cope with only part of the shortfall in capacity. Until alternative capacity is created, 30 per cent of Watney bottling will be contracted out to other brewers.

Warehousing and distribution is to continue at Raven Row and there is no physical danger to workers in the bottling hall.

Watney said yesterday. Re-development plans for the site are now being considered, but it is unlikely that a new bottling plant would be built there. The 300 workers involved in the closure, including some senior managers are likely to face redundancy, although efforts to find other jobs within the company are being made.

## 635 dockers to go on Merseyside

By R. W. Shakespeare

Another 635 Liverpool dockers will lose their jobs this year under a new voluntary severance plan which seems certain to be approved by a meeting of the National Docks Labour Board next week.

The scheme, which is supported by Mr Jimmy Symes, docks district secretary of the Transport and General Workers Union, will cut the waterfront labour force on Merseyside to 4,800. At their peak the docks employed more than 15,000 men.

Last year 750 dockers left the port voluntarily with redundancy payments of up to £8,500 for a man with 20 years service. The docks still have an average daily surplus of about 1,000 men.

## 'Difficult period' for Anglo-Soviet trade

Anglo-Russian trading relationships are entering a "very difficult" period because of the political repercussions of the events in Afghanistan, Mr John Smith, Opposition spokesman on trade, said in London yesterday at a meeting of the British-Soviet Chamber of Commerce.

Although the response of Western governments to Russia's intervention in Afghanistan was still being considered, the conclusion that there would be an adverse impact, particularly on Anglo-Soviet trade, had to be drawn, he said. At previous times of political difficulty—such as the early 1970s—this trade had deteriorated sharply.

There was a sense of pessimism about economic growth apparent in most countries and there was a danger this would exacerbate present difficulties. "It is important that the world's political leaders must remain committed to political détente between East and West so we can divert military expenditure into economic expansion."

Ways of improving trade needed to be considered. A closer examination into ways of improving the techniques of trading should be made to deal with factors like currency, compensation trading and cooperation agreements. Russia ought to consider directing Western investment into the Soviet Union, Mr Smith said.

## Doubt over MG bid from Aston Martin

By Edward Townsend

The possibility of a cash offer being made by a consortium of companies led by Aston Martin Lagonda for BL's MG sports car operations, became uncertain yesterday when the potential purchasers said some matters were still to be sorted.

BL had imposed a deadline of Wednesday night for an offer to be made, but this passed without any communication being received from the consortium.

In a statement yesterday Aston Martin said that its chief executive was in touch with BL and, should the outstanding issues be settled, the consortium would put in a bid early next week. There would be no further public developments until then.

BL has delayed implementation of its plans for the MG factory at Abingdon in Oxfordshire because of a probable offer from the consortium. Four deadlines have been set by BL and executives were taken to surprise yesterday when the consortium indicated that a further meeting was needed.

BL plans to end MG car production at the end of this year and use the Abingdon factory for its new medium and special vehicle plant. The export packing operation will be transferred from the Cowley plant at Oxford where assembly of the new medium range car, to be built in collaboration with Honda of Japan, will take place.

It is believed that the offer from the consortium will be for the factory and use of the MG name, although BL has already made clear it will not sell the marque. It has also said that any offers for MG must be financially attractive to the parent company for the future programme already formulated for Abingdon.

BL dealers in the United States have been vociferous in demanding that the MG line be retained. The company has told them that production will be maintained until the end of the year with most of the output earmarked for the American market. After 1980, the cars will no longer comply with new Federal emission regulations and will be withdrawn.

BL is also facing pressure from both sides of the House of Commons not to phase out the MG.

### MONEY SUPPLY

The following are the figures released for the monthly amount of money stock, seasonally adjusted at the mid-month dates:

	M1	M2	M3	% change over three months
1979				
May	26.8	52.1	13.9	8.1
June	26.6	52.7	9.7	17.2
July	27.2	53.1	7.1	14.3
Aug	27.2	53.6	8.1	12.4
Sept	27.3	53.9	11.5	9.9
Oct	28.2	55.0	15.7	15.1
Nov	28.7	55.3	8.3	13.1
Dec	27.8	55.5	4.6	12.1

### MONTHLY CHANGE IN STERLING M3 AND DOMESTIC CREDIT EXPANSION EM

	Sterling M3	Domestic credit expansion	Annual rate of change
May	4.277	11.5	7.363
June			11.045

### CONSUMER SPENDING

The following are the first estimated figures for consumer expenditure seasonally adjusted at constant 1975 prices, released by the Central Statistical Office yesterday:

	£ million	Percentage change over previous quarter
1978 1st qtr	16,432	+15.8
2nd qtr	16,522	+2.2
3rd qtr	16,879	+8.9
4th qtr	16,895	+0.4
1979 1st qtr	17,076	+4.4
2nd qtr	17,791	+17.8
3rd qtr	17,059	-15.5
4th qtr p	17,350	+7.0

p provisional.

## LETTERS TO THE EDITOR

# Wrong thinking on pension plans

From the Chairman, the National Association of Pension Funds

Sir, Raymond Nottage's one-man campaign against funded pension schemes has taken a new turn with his article on contracting out in your issue of January 14. His approach is so illogical and one-sided that it is hard to imagine it will be taken seriously by anyone, but perhaps we ought to set the record straight on a couple of points.

Before doing so, let me make it clear that the National Association of Pension Funds has never taken sides on the question of contracting out. During the consultative period prior to the relevant legislation, our objective was to secure terms which were fair to all concerned, whether contracted out or not. The fact that the majority of pension funds in membership, though by no means all, chose to contract out owed more, I suspect, to industrial relations than to purely financial considerations.

The essence of the contracting out bargain is that the pension fund relieves the state of a future liability in exchange for a reduction in current contributions. It does not need a mass of figures, merely a modicum of common sense to appreciate that any consequent increase in state contribution rates today must be offset by lower rates in future years.

By placing the so-called National Insurance Fund on a sounder financial footing, we are paving the way for the payment of more adequate pensions in future, from state and occupational schemes combined.

Mr Nottage can sustain his argument only by taking a short-term view and ignoring

future costs—that is the essence of the "pay as you go" philosophy—but he really cannot be allowed to get away with his ludicrous claim that contracting out is a bad bargain for everyone. It would be less absurd to claim it as a good bargain for everyone. Each employer, after all, in consultation with his employees (a point Mr Nottage chooses to overlook), has decided freely whether to contract out or not, in the light of the particular circumstances surrounding that employment.

Why should we assume that they have all made the wrong decision? It is typical of the top-sided Nottage logic that he ends by proposing the formation of an Association of Contracted In Employees and, although he knows they would represent only a minority of those employed in the private sector, goes on to claim that "such an association would speak for the majority of the nation's wealth-producing companies and their employees".

In defending the right of employers and employees to choose for themselves whether to contract out or not, I am quite sure that neither school of thought has a monopoly of wisdom or of wealth creation. Yours truly, MICHAEL PILCH, Chairman, National Association of Pension Funds.

Prudential House, Wellesley Road, Croydon CR9 9XY.

From Mr W. A. Sibby, Sir, Mr Nottage's article (January 14) is fallacious, apparently because he has failed to appreciate that the total current cost of the National

Insurance scheme is simply the amount required to pay the current level of benefits to the present beneficiaries. Since this total is determined by the current liabilities, even the total elimination of the contracting-out option would in no way reduce public expenditure on benefits or the amount of National Insurance contributions required to support that expenditure.

The contracting-out option becomes relevant only when considering the way in which the total cost is divided between different employers and employees—i.e. the National Insurance contribution rates. As a result of the numbers contracted out, there is a higher general contribution rate, which is then reduced for those who are contracted-out. Thus the latter pay a proportionately smaller share of the unchanged total of contributions. This is in return for their undertaking to relieve the National Insurance scheme of a steadily increasing proportion of its future liabilities.

Their contribution reduction is directly related to the liabilities which they undertake. It is calculated by the Government Actuary on a basis which most expert opinion considers equitable and which Mr Nottage appears to accept in his "favourable terms". Yours faithfully, W. A. SIBBY, Assistant General Manager (Pensions), Legal & General Assurance Society Limited, Temple Court, 11 Queen Victoria Street, London EC4N 4TP.

## Lessons from World Bank

From Mr William Clark

Sir, The article by Frank Vogl in regard to the publication of the World Bank's Operations Evaluation Report (Business News, December 3) deserves a response because it misrepresents the purpose of this very valuable and controversial effort. It is valuable, I believe, because it is a serious effort to learn from our failures. It is controversial because it puts before the public the lessons learnt so as to teach others to avoid our mistakes.

Development is a risky and pioneering field, and the World Bank's effort is almost entirely in areas where the angels of the commercial investing world

fear to tread. Yet 94 per cent of our projects achieve their stated objectives.

But 6 per cent do not: we want to know why, so that we can avoid further mistakes. And we dare to tell this publicly (who else does?) so that our partners in the development effort can benefit. If 94 per cent success is inefficient failure then we have achieved New Spain four years ahead of schedule.

Your obedient servant, WILLIAM CLARK, Vice President, External Relations, The World Bank, Washington, D.C. 20433, United States.

## An audience interest in engineering our future

From Mr K. A. Yeomans

Sir, Although I cannot verify the accuracy of the information that only 5,000 copies were originally made of the report of the Finlinton committee of inquiry, there is no doubt at all about the interest of the public in the detailed findings.

All of the initial delivery to HMSO in Holborn, London, were sold within the first hour and although there was a further delivery that afternoon there were none left by noon the following day.

Although the summary Engineering our Future was available, it is the fuller account, with a more detailed study of the review of the evidence on which the recommendations have been made, that is sought by those who seek to judge the merits of the statements that are being made by the various pressure groups now moving in to turn specific recommendations (sometimes seemingly out of context) to their sectoral advantage.

Are more highly academically trained engineers alone going to solve the problems and just why is it thought that licensing of engineers is going to have an effect on the quality of our designs over the full range of products in which our manufacturers compete in both home and overseas markets? To what extent must we also pay regard to the craft, skilled and technician workers who are needed to support these "best people" who are to be encouraged into industry? We are beginning to hear the pleas of those

who feel that what is needed is a more powerful voice for the engineering professions. This, I suggest, is the herald of the bureaucratic approach that has failed us so often in the past. What is really needed is not a powerful voice but an attentive audience and from the evidence of the queue in HMSO in Holborn I feel sure that it exists.

Yours faithfully, K. A. YEOMANS, 306 Uxbridge Road, Rickmansworth, Hertfordshire, WD3 2YL.

From Mr D. Reeves

Sir, Many government ministers have for some time made statements that the status of the professional engineer should be improved if Britain is to get itself out of its present difficulties. The Prince of Wales also made a similar statement recently on television. However, when the Government had its opportunity to improve the situation for its professional engineers by Civil Service, it did nothing, and the recent pay awards have given the engineer at principal level £729 per annum less than his counterpart in the administrative grade.

Once again the arts graduate in Britain is thought to be more important than an engineering graduate.

Yours faithfully, D. REEVES, 135 Hall Lane, E4, January 10.

## Insuring against strikes in UK

From Dr J. M. Hammersley

Sir, Sir Michael Edwards's call for chauvinism raises various issues beyond BL for all those who seek to buy British or to earn foreign currency in times of industrial unrest. My own problem is a small and modest one, but doubtless there will be other people in similar situations; and the effects add up.

I have to spend the last week of March at a Canadian university. The arrangement (unlike that at some transatlantic universities) does not require me to travel on a Canadian or United States airline; but they did ask me to be as economical as possible. Universities everywhere are, feeling the financial strain and we all have to tighten our belts, which is fair enough.

I bought an Apex ticket on British Airways. For the benefit of engineers like myself, who have not previously travelled in this way, I should explain that an Apex ticket is roughly one third of the price of a full-fare economy class ticket, that it must be obtained a long time before departure, and that it is non-transferable. I must travel on the date and flight specified. Later this week, British Airways went on strike.

I telephoned British Airways to ask what would happen if they were still on strike at the

end of March. This, they said, was a hypothetical question that they could not answer: it would depend on circumstances, they would do their best to put me on another airline as soon as possible, but cut-price tail-enders might suffer considerable delay. Would I get my money back if they failed to get me a flight on the specified day? I got the impression that the answer is yes, though I do not have anything in writing.

My travel agent sent me a proposal form for an insurance policy intended to give cover against airline strikes. Our clause gives a daily allowance for up to three days' delay; but this is no use to me, because I could not fulfil my contract in Canada if I were delayed.

Another clause offers "reimbursement of that proportion of the cost, which is irrecoverable from any other source, in the event of the abandonment of the journey". I asked the insurance company if this would cover the difference between full-fare and Apex, including the possibility of having to travel first class if all economy class seats were taken on other airlines. No, they said, you would not have abandoned the journey and you would get nothing from us. And, if I did nothing from my journey, anything for my Apex

ticket? Probably not from us, they said, because you ought to be able to claim against British Airways. That seemed to render the policy rather nugatory. Since then I have been looking at quite a few policies. None give me what I need, and many have "irrecoverable" clauses. If this were a logical world, the mind would boggle at the ramifications of the Russell paradox produced when two "irrecoverable" clauses collide.

I once nearly got caught in an airline strike in Osaka. I learnt then that employees on Japan Air Lines have many businesses in Japan; a bonus incentive scheme geared to company profits. Their strike was settled in a matter of hours.

Might I, through the courtesy of your columns, ask for a clear statement from British Airways about the position of Apex ticket holders in the event of strikes, and also whether any insurance broker in London can give me a quotation for what I need? Or should I ask the Canadians to place the business themselves on the Toronto contingency market? Yours faithfully, J. M. HAMMERSLEY, Trinity College, Oxford OX1 3BH, January 11.



### The year 1979

Comments by the Chairman, the Rt Hon Earl Jellicoe

"We have made significant progress with the major programme of rationalisation and renewal we have set for the Group. These tasks carry a heavy burden of related costs and we have had to conduct our operations in a trading environment which, in many areas, remains difficult."

"Our ability to generate adequate profits has, as a result, been limited. Group trading profit fell from £36.4 million in 1978 to £30.1 million, although the contribution from exceptional items enabled us to show a modest improvement at the pre-tax level, from £24.6 million to £26.2 million."

"It is important — for EEC consumers and taxpayers as well as for our cane sugar refineries — that the Common Market's wasteful over-production of sugar beet should be cut. We welcome the EEC Commission's proposals for the 1980/85 sugar regime."

"I stated last year that we should not expect to see any material improvement in our overall performance in the near future. Nevertheless, we are committed to pursuing vigorously programmes of action to restore Tate & Lyle to a more satisfactory level of profitability."

	1979	1978
Pre-tax profits	£26.2m	£24.6m
Dividends paid and proposed	10.5p	10.5p

Copies of the Annual Report for the year to 30th September 1979 will be mailed to shareholders shortly and will be available from J E Wright, Secretary, Tate & Lyle, Limited, Sugar Quay, Lower Thames Street, London EC3R 6DQ



مكازم الذهب







## FINANCIAL NEWS AND MARKET REPORTS

Eurotherm  
10 pc rise  
fails to  
please

Profits of Eurotherm International, the electronic temperature control group which came to market nearly 20 months ago, got a cool reception from the stock market yesterday. Although sales advanced 23 per cent to £21.6 million—more than half came from overseas—pre-tax profits were only 10 per cent ahead at £2.9 million.

The shares, which were 88 times oversubscribed when the group was floated and have changed hands at 370p in the last year, dropped 4p to 291p. Pressure on profits growth would have been increased further had Turnbull Control Systems not turned a £300,000 loss into a £300,000 profit.

But against that, there were management problems which their company in France, which contributes 10 per cent to group sales. Changes have been made, but the year before the operation can resume the sort of profits growth Eurotherm has come to expect. In addition the results would have been £200,000 higher but for the strength of sterling.

Dr Jack Leonard, the group managing director, said: "Profitability is not as large as we would have liked to show the world, but we have no problems that we feel we are not in control of, and we see no reason why the current year will not produce further satisfactory results."

The final dividend is 4.284p, giving a total of 6.436p against an interim last time of 3.82p.

Berisford held back  
by dull markets

By Michael Priest

Flat commodities market in the second half, held back profits at S & W Berisford, the merchant bank, to £22.2m, an increase of less than 1m.

Interest charges were about half as much again as last year, partly because of slower turnover and partly because of higher interest rates. Delays in payment by customers holding on to their cash and taking advantage of the high interest rates was also a factor.

The company has enjoyed a spectacular growth record. In the decade to September 31, 1978, the end of the previous financial year, earnings grew at an average annual compound rate of 50 per cent. Mr N. G. Hanson, the company's finance director, says this growth cannot be expected to continue indefinitely.

While commodities, mainly soft ones, constitute about two-thirds of pre-tax profits, the other major contributors are food, drink and metals. Both showed reasonable progress over the year, with the metals sector benefiting from strong aluminium prices. Mr Hanson warned, however, that the steel strike, if prolonged, could bite into these profits.

Analysts regard Berisford as a company with high exposure to fluctuations in commodity markets. It keeps a level book, without much hedging, and therefore depends mainly on turnover.

Group turnover was £217.0m against £134.1m in 1978. The final dividend is 10.714p gross, an increase of 55.8 per cent over last year for shareholders who retained their shares when the group's capital was raised by 10 per cent. The dividend is covered 3.78 times on earnings per share of 28.37p. The shares were unchanged at 146p.

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## Stock markets

## Light profit taking as equities wait for lead

After a 50 point rise in a fortnight and Wednesday's biggest one-day jump since last April the FT 30 index constituents took a breather. But profit taking remained light and buyers were still around. There were losses throughout the list in gift edged too after weakness at the start of business, but once again there was little weight behind the selling.

It can hardly be said that the trade returns, the threat of a water strike, the growing bitterness of the steel dispute or the latest money supply figures had an impact.

Vesper settled at 190p after Wednesday's 17p fall from grace. The acquisition of 51 per cent of Havermaier Transport for £1m means money going out, but if the compensation is right, it is only a matter of time before £1m or so of compensation money will be coming back in.

Last week the authorities forecast an increase in sterling M3 of 10 per cent in the three months to mid December. The news that it rose by 0.4 per cent aroused virtually no response.

The market assumes that a new long top of up to £1,000m on a partly paid basis on terms in line with the rest of the market will appear this afternoon and waiting for this was enough to explain yesterday's quieter conditions.

The basic mood of the market—fear of being left behind in a nascent bull market—was undisturbed by the day's events.

In business after the official close there was no strong reaction to new moves in the steel dispute. Short gilts showed only tiny scattered falls. Foreign buyers seemed once again to be in evidence.

At 10 am the FT Index was down 4.5 but buyers promptly moved in. An hour later it was only 1.5 up. However, the softer trend resumed and at 3 pm the index was 6.1 down.

But again a rally was attempted and at the close the index was only 4.7 down at 430.8.

Leading industrials best reflected the listless conditions although, after much rising and froing, they did manage to finish off the bottom. This was best witnessed in ICI which finished only 2p off at 375p.

Larger falls of 10p were seen in Fisons at 289p while

Beecham at 123p and Hawker Siddley at 144p were both 6p lighter. Unilever shed 5p at 475p but profit-taking clipped 4p from Trusthouse Forte following its set of preliminary figures on Wednesday.

However, the market was less kind to Grand Metropolitan, where profits were being bang up to expectations, and the share price tumbled 6p to 140p.

The market also took a dim view of the figures from Eurotherm International, a relative newcomer to the market, sliding 4p to 291p. Other companies to lose ground after reporting yesterday included Dixons Photographic down 8p at 97p.

Heavy Wigfall also 8p off at 210p. AGS Research 5p down at 168p with falls of 3p in BET DFD at 122p and Gestetner "A" at 73p.

## Latest results

Company	Share	Sales	Profit	Div	Pay	Year's
Asoc Paper Ind (F)	44.54(36.6)	1.9(1.2)	11.54(12.54)	2.44(2.28)	1/4	3.65(3.47)
Avana Grp (I)	—	—	—	1.0(1.9)	10/4	—
AGS Research (I)	13.0(8.9)	1.0(0.6)	4.7(3.7)	2.5(1.4)	7/5	—
ES Ele Tracton (I)	34.0(34.1)	34.0(34.1)	28.37(30.1)	1.0(1.6)	10/4	—
S. & W. Berisford (F)	2.3(6.7)	0.30(0.53)	—	5.0(2.63)	8/4	7.5(4.5)
Barnage Jute (F)	2.3(6.7)	0.30(0.53)	—	N/A(N/A)	1/4	5.0(2.2)
Born Exchange (F)	2.3(6.7)	0.30(0.53)	—	1.7(1.2)	10/4	—
Count Furnish (I)	2.4(2.2)	2.2(2.2)	2.7(3.05)	0.6(0.7)	3/3	—
W. Cook (I)	2.2(2.14)	0.29(0.31)	5.9(5.5)	1.25(0.78)	26/2	—
Dixons Photo (I)	125.0(126.0)	125.0(126.0)	18.24(14.01)	2.5(2.2)	4/4	—
Eurotherm Int (F)	21.6(17.5)	19.2(26.6)	20.7(20.7)	1.5(1.4)	9/4	—
ES Ele Tracton (I)	268.0(250.0)	0.40(0.34)	3.14(2.65)	—	—	—
Gestetner (F)	0.78(0.94)	0.19(0.25)	21.8(18.2)	0.7(0.64)	5/3	—
Grand Met (F)	2.1(1.01,850.0)	0.07(0.07)	0.47(0.10)	0.5(—)	2/2	—
ICI (F)	2.3(10.0)	0.72(0.53)	—	0.5(—)	2/4	—
Reliant Gordon (F)	25.3(22.1)	0.47(0.10)	—	0.5(—)	2/4	—
Savill Gordon (F)	13.3(10.0)	0.72(0.53)	—	0.5(—)	2/4	—
Wigfall (I)	21.0(20.7)	0.2(0.2)	—	0.5(—)	2/4	—

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.428. Profits are shown pre-tax and earnings are net. a=loss.

## Royco's ex-chief wins control

By Our Financial Staff

Jersey-based millionaire property developer Mr Roy Strudwick, former chairman of building group Royco, is bidding to take over the outstanding part of the company he does not already own.

Yesterday, according to Bonnerpark, a subsidiary of Mr Strudwick's company Supreme Investments, announced that it had acquired a 40.95 per cent holding in Royco and was offering 50p a share for the balance of the equity. However, a two-hour buying spree in the market, where the shares opened at 41p, brought the Bonnerpark stake up to 50.02 per cent giving it control.

At 50p a share Royco is valued at £10m.

Royco's financial adviser, Samuel Montagu is currently evaluating the bid and advises shareholders to take no action meantime. However, the merchant bank did admit that there is no other bidder.

Mr Strudwick, who brought the building company to market in 1972, initiated a scheme last year to give shareholders a cash repayment of 20p a share. The £4m came from Royco's large cash pile which resulted from the sale of its land bank. At that time Mr Strudwick had a stake of about 35 per cent in the company.

Mr Strudwick is thought to want to continue to run Royco as a housebuilder and commercial property developer. The shares closed last night at 48p.



Mr Roy H. Strudwick, former chairman of Royco.

American  
insurance  
giant's  
profits jump

From Tony Hilton

New York, Jan 17. Marsh and McLennan, the American insurance giant currently seeking to merge with Lloyds Brokers C. T. Bowring, had very successful 1979, according to the figures released in New York yesterday.

Although revenue for the year was only 11.5 per cent up at \$530m (£234m), net income was \$6.3m, or 11.5 per cent higher at \$93.3m, boosted by \$11m from the sale of its 30 per cent stake in British insurance broker Bland Payne.

The improvement would have been yet more marked but for a surge in expenses in the final quarter. Some three-quarters of the group's revenue comes from insurance services, a further fifth from pension consultancy and advisory services and the rest from other financial services.

Meanwhile analysts on Wall Street feel that the strength of the Bowring rebuff makes it unlikely that the Americans will press ahead with a contested bid. "Insurance broking is a people business," said Miss Joan Zief, of brokers Merrill Lynch. "I think they would find it hard to justify an unfriendly takeover—particularly as this would be right against the pattern of insurance broking acquisitions in the United States in the last 10 years. It is just not done. Nor is it considered wise, and intuitively I don't think Marsh and McLennan would do it."

P.I.'s board says the opening months of the current year have not been easy, but the group is in a much stronger position than it was a few years ago and is better able to withstand any recession.

United Transport, which accounts for around a third of BET's profit, has a financial year, which coincides with the calendar year. As such, the effects of the lorry drivers' strike were felt on BET's first half profit figures.

Although most of United Transport's business is overseas, the effects of the haulage dispute and the bad weather at the beginning of last year have lopped around £1m from profits. Interest charges in the period increased from £5m to £8.2m but this was partly offset by a rise in investment income from £2.7m to £3.3m.

Elsewhere BET is showing an improvement. The printing and publishing, and waste disposal divisions increased their contribution while structural steel specialist Boulton & Paul, which

## Transport group slows progress at BET

By Our Financial Staff

A downturn in the contribution from British Electric Traction's subsidiary United Transport and 58 per cent owned Rediffusion, coupled to higher interest charges, left overall profits only slightly better.

In the six months to September 30, pre-tax profits increased by £500,000 to £34.8m on turnover up from £334m to £372m. In the period profits at Rediffusion fell by £1.4m to £5.2m but it is expected to turn in a better performance in the second half.

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Elsewhere BET is showing an improvement. The printing and publishing, and waste disposal divisions increased their contribution while structural steel specialist Boulton & Paul, which

was previously affected by the lorry drivers' strike, showed some recovery. Looking to the second half, the group is expected to show a small improvement on last year's £72m which could take pre-tax profits to around £75m. However the steel strike could affect some of the subsidiaries, including Boulton & Paul and the plant hire company.

The interim dividend, at 2.66p is the same as last year. But if the final is increased at the same rate as earnings shareholders could receive a final payout of around 8.5p which on yesterday's share price at 112p, down 3p, gives a prospective yield of 3.1 per cent.

Both the engineers' merchants division and the metal processing division showed increases in turnover and profits.

Pre-tax loss halved by Barnagore Jute

On turnover reduced from £6.75m to £5.34m, Barnagore Jute Factory halved its pre-tax loss from £638,000 to £306,000 in the 12 months to March 31, 1979. Once again, there is no ordinary dividend. The board reports that since the year-end, trading conditions have very

considerably improved and Barnagore is now operating at a substantial profit so that its financial viability appears more assured.

Strike fails to stop Saville Gordon

Pre-tax profits of the J. Saville Gordon Group, the engineers' merchants and metal processing group, for the half-year to October 31 last, rose by 13.5 per cent to £725,000 despite the effects of the engineering strike. Group turnover increased by 39 per cent to £13.97m. The Chairman, Mr John Saville, said that in view of the difficulties experienced due to the strike the results were particularly encouraging. However the strike would have a significant effect on all engineering companies.

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## FINANCIAL NEWS AND MARKET REPORTS

Western  
Deep  
profits  
up 58 pc

Profits at Western Deep Levels, a gold mine in the Anglo American group and one of the most highly geared in South Africa, shot up by 58 per cent to R1.8m (234.3m) on the back of record gold prices.

The average gold price received at the mine rose from R317.6 an ounce in the September quarter to \$100 more in the December quarter.

But this was far and away the most spectacular result in this latest batch of quarterly figures from the South African mines. Other mines saw potential profits vanish in taxes. President Brand, and Free State Sappin, actually saw profits fall, while most of the mines in the group had profits increases of between 17 and 20 per cent.

The highest gold price received at the mine rose from R317.6 an ounce in the September quarter to \$100 more in the December quarter.

A majority of the mines have adapted to higher gold prices, however, by lowering output. Among the mines with noticeably lower production during the quarter were Vaal Reef, Free State Geduld, Western Holdings, and Welkom.

## Recent Issues

Company	Price	Yield
ABN Bank	17 1/2	12 1/2
Barclays Bank	17 1/2	12 1/2
BCCL Bank	17 1/2	12 1/2
Consolidated Crds	17 1/2	12 1/2
C. Hoare & Co.	17 1/2	12 1/2
Lloyds Bank	17 1/2	12 1/2
London Mercantile	17 1/2	12 1/2
Midland Bank	17 1/2	12 1/2
N Westminster	17 1/2	12 1/2
Northminster	17 1/2	12 1/2
TSB	17 1/2	12 1/2
Williams & Glyn's	17 1/2	12 1/2

\* 7 day deposit on sums of £10,000 and under 15%, up to £25,000 15.5%, over £25,000 16.5%.

Bank Base  
Rates

Bank	Rate
ABN Bank	17 1/2
Barclays Bank	17 1/2
BCCL Bank	17 1/2
Consolidated Crds	17 1/2
C. Hoare & Co.	17 1/2
Lloyds Bank	17 1/2
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M. J. H. Nightingale & Co. Limited  
27/28 Lovat Lane London EC3R 8EB Telephone: 01-438 8051

## The Over-the-Counter Market

1979/80	High	Low	Company	Price	Ch'ge	Divid	Yld	P/E
99	73	Airsprung Group	73	-	6.7	9.2	4.3	
50	38	Armstrong & Rhodes	39	-	3.8	9.7	2.5	
225	185	Bardon Hill	225	-	13.8	6.1	6.6	
101	63	Deborah Ord	92	-	5.0	5.4	10.1	
353	140	Deborah 17% CULS	350	-	17.5	3.0		
92	88	Frank Horsell	92	-	14.3	6.7	5.7	
199	100	Frederick Parker	109	-	12.8	11.7	8.4	
156	96	George Blair	107	-	16.5	15.4	8.4	
61	45	Jackson Group	59	-	5.2	8.8	3.5	
153	115	James Burroughs	116	-	7.2	6.2	10.5	
300	242	Robert Jenkins	247	-	31.3	12.7	7.9	
232	175	Torday Limited	223	-	14.3	6.7	5.8	
34	164	Twinnock Ord	221	-	4.1	8.8	3.8	
80	70	Twinnock 12% ULS	76	-	12.0	15.8	-	
86	23	Unilock Holdings	55	-	2.6	4.7	11.7	
142	42	Walker Alexander	82	-	4.4	5.3	5.4	
190	136	W. S. Yates	185	-	11.5	6.2	7.2	

\* Accounts prepared under provision of SSAP15.

## Wall Street

New York, Jan 17.—Stock prices eased in late afternoon trading on moderate profit taking. Declining issues led advances at the bell by 715 to 578, with 283 unchanged.

The Dow Jones Industrial average was off 1.62 to 863.57. It had been up more than four points at its best.

New York Stock Exchange volume dropped to 54,170,000 shares from yesterday's second-highest total of 67,700,000.

Practical metals stocks surged again as gold bullion prices topped \$800.

## Gold tops \$800

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## Commodities

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Barclays Bank	17 1/2	12 1/2
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225	185	Bardon Hill	225	-	13.8	6.1	6.6	
101	63	Deborah Ord	92	-	5.0	5.4	10.1	
353	140	Deborah 17% CULS	350	-	17.5	3.0		
92	88	Frank Horsell	92	-	14.3	6.7	5.7	
199	100	Frederick Parker	109	-	12.8	11.7	8.4	
156	96	George Blair	107	-	16.5	15.4	8.4	
61	45	Jackson Group	59	-	5.2	8.8	3.5	
153	115	James Burroughs	116	-	7.2	6.2	10.5	
300	242	Robert Jenkins	247	-	31.3	12.7	7.9	
232	175	Torday Limited	223	-	14.3	6.7	5.8	
34	164	Twinnock Ord	221	-	4.1	8.8	3.8	
80	70	Twinnock 12% ULS	76	-	12.0	15.8	-	
86	23	Unilock Holdings	55	-	2.6	4.7	11.7	
142	42	Walker Alexander	82	-	4.4	5.3	5.4	
190	136	W. S. Yates	185	-	11.5	6.2	7.2	

## Money Market

Bank	Rate
ABN Bank	17 1/2
Barclays Bank	17 1/2
BCCL Bank	17 1/2
Consolidated Crds	17 1/2
C. Hoare & Co.	17 1/2
Lloyds Bank	17 1/2
London Mercantile	17 1/2
Midland Bank	17 1/2
N Westminster	17 1/2
Northminster	17 1/2
TSB	17 1/2
Williams & Glyn's	17 1/2

## Discount market

Bank	Rate
ABN Bank	17 1/2
Barclays Bank	17 1/2
BCCL Bank	17 1/2
Consolidated Crds	17 1/2
C. Hoare & Co.	17 1/2
Lloyds Bank	17 1/2
London Mercantile	17 1/2
Midland Bank	17 1/2
N Westminster	17 1/2
Northminster	17 1/2
TSB	17 1/2
Williams & Glyn's	17 1/2

## Foreign exchange report

Down to 2.2550 early, partly reflecting profit-taking behind moves to escalate the steel strike and Wednesday's sharply higher pound spot steadily yesterday with the aid, dealers believed of modest Bank of England support. It closed very close to 2.2770 (overnight 2.2680).

On the trade-wire basis, sterling declined to 71.5 (overnight 71.7), and dollar rose to 1.58 (overnight 1.57).

## Sterling Spot and Forward

Bank	Rate
ABN Bank	17 1/2
Barclays Bank	17 1/2
BCCL Bank	17 1/2
Consolidated Crds	17 1/2
C. Hoare & Co.	17 1/2
Lloyds Bank	17 1/2
London Mercantile	17 1/2
Midland Bank	17 1/2
N Westminster	17 1/2
Northminster	17 1/2
TSB	17 1/2
Williams & Glyn's	17 1/2

## Dollar Spot Rates

Bank	Rate
ABN Bank	17 1/2
Barclays Bank	17 1/2
BCCL Bank	17 1/2
Consolidated Crds	17 1/2
C. Hoare & Co.	17 1/2
Lloyds Bank	17 1/2
London Mercantile	17 1/2
Midland Bank	17 1/2
N Westminster	17 1/2
Northminster	17 1/2
TSB	17 1/2
Williams & Glyn's	17 1/2

## Sterling: Other Markets

Bank	Rate
ABN Bank	17 1/2
Barclays Bank	17 1/2
BCCL Bank	17 1/2
Consolidated Crds	17 1/2
C. Hoare & Co.	17 1/2
Lloyds Bank	17 1/2
London Mercantile	17 1/2
Midland Bank	17 1/2
N Westminster	17 1/2
Northminster	17 1/2
TSB	17 1/2
Williams & Glyn's	17 1/2

## EMS European Currency Rates

Bank	Rate
ABN Bank	17 1/2
Barclays Bank	17 1/2
BCCL Bank	17 1/2
Consolidated Crds	17 1/2
C. Hoare & Co.	17 1/2
Lloyds Bank	17 1/2
London Mercantile	17 1/2
Midland Bank	17 1/2
N Westminster	17 1/2
Northminster	17 1/2
TSB	17 1/2
Williams & Glyn's	17 1/2

## Gold

Bank	Rate
ABN Bank	17 1/2
Barclays Bank	17 1/2
BCCL Bank	17 1/2
Consolidated Crds	17 1/2
C. Hoare & Co.	17 1/2
Lloyds Bank	17 1/2
London Mercantile	17 1/2
Midland Bank	17 1/2
N Westminster	17 1/2
Northminster	17 1/2
TSB	17 1/2
Williams & Glyn's	17 1/2

## Euro-£ Deposits

Bank	Rate
ABN Bank	17 1/2
Barclays Bank	17 1/2
BCCL Bank	17 1/2
Consolidated Crds	17 1/2
C. Hoare & Co.	17 1/2
Lloyds Bank	17 1/2
London Mercantile	17 1/2
Midland Bank	17 1/2
N Westminster	17 1/2
Northminster	17 1/2
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## Authorized Units, Insurance &amp; Offshore Funds

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99	73	Airsprung Group	73	-	6.7	9.2	4.3	
50	38	Armstrong & Rhodes	39	-	3.8	9.7	2.5	
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# John Foord

**§ Forward bargains are permitted on two previous days**

Leffingwell



# Appointments Vacant

## BOUGAINVILLE COPPER LIMITED

The Company operates a 98,000 TPD Concentrator on Bougainville Island in Papua New Guinea. The process flow sheet includes crushing, grinding, flotation, thickening, 28km concentrate pipeline, filtering, drying and associated support activities. Available facilities include well equipped metallurgical and mineralogical laboratories, and a comprehensive on-site analytical service.

The Concentrator Division comprises five departments, viz — Crusher, Mill, Metallurgical Services, Engineering Services and Analytical Services.

The Metallurgical Services department provides a routine trouble shooting service to the operating plants, plans and predicts current and future production levels and undertakes development projects to enhance the Company's technical and economic position.

Current development projects include:

- Recovery of gold from tailings
- By-product recovery of molybdenum from concentrate
- Waste dump leaching
- Process control computerisation

BOUGAINVILLE COPPER LIMITED HAS AN INNOVATIVE, TECHNICAL APPROACH AND SEEKS MEN WITH A SIMILAR OUTLOOK.

## SENIOR METALLURGISTS

Enthusiastic, experienced Senior Metallurgists are required to co-ordinate and direct the activities of a team of Project Metallurgists, involved in research and development of the Company's Metallurgical operations.

They should hold a Degree or Diploma in Mineral Processing/Technology, Metallurgy, Applied Technology, Chemical Engineering or a related field with at least five years' relevant experience being essential. A minimum of two years' supervisory experience is desirable. They will report to the Chief Metallurgist.

## METALLURGISTS

Vacancies exist for metallurgists to participate in the metallurgical research and development of the Company's operations. Successful applicants could expect to be involved in short term shift work as part of their professional development and during pilot plant investigations.

They should hold a Degree or Diploma in Mineral Processing/Technology, Metallurgy, Applied Technology, Chemical Engineering or a related field with two years' relevant experience. Some supervisory experience would be an advantage. They will report to a Senior Metallurgist.

AN ATTRACTIVE SALARY WILL BE NEGOTIATED AND IS SUBJECT TO AN AREA ALLOWANCE OF 30% OF BASE SALARY

Conditions and benefits related to the position will be discussed at interview but would include:

- Permanent or contract (2 years) appointment
- Air fares and removal costs paid to Bougainville on appointment
- Five week's annual leave with return fares to Australia
- Modern housing or single accommodation provided at reasonable cost

The towns of Arawa on the coast, and Panguna at the mine site, are modern with supermarkets, taverns, restaurants, primary schools, private medical and dental services. Sporting facilities include squash and tennis courts, golf course with green grass, swimming, fishing and sailing. There is a regular air service to Melbourne. Over eight hundred expatriate employees plus families live in the towns.

Applications quoting Reference No. W280 and setting out full details of qualifications and experience should be addressed to:

Mr I. L. Williams

Conzinc Riotinto of Australia Limited  
GPO Box 384D, Melbourne, Vic 3001 Australia.



## VACANCY FOR SECRETARY

To the Territorial, Auxiliary and Volunteer Reserve Association for the West Midlands

1. Applications are invited for the Secretaryship of the Territorial, Auxiliary and Volunteer Reserve Association for the West Midlands based at Birmingham and covering the counties of Hereford and Worcester, Shropshire, Staffordshire, Warwickshire and West Midlands Metropolitan. The post will become vacant on the 16 February 1981 and the successful applicant may be required to understudy the present Secretary for one month before taking over.

2. Applicants should, preferably, have Service Staff experience of at least Grade 1 level (or equivalent) and have reached the age of 45, but not have reached the age of 56, as at 15 February 1981, unless now employed by a Territorial, Auxiliary and Volunteer Reserve Association. The present salary is £9,296 per annum.

3. The appointment is for a probationary period of 18 months in the first instance after which it may be confirmed to the age of 60, with further extensions of one year up to the age of 65, subject to satisfactory annual reports. The successful candidate will be required to pass a medical examination and to contribute to the superannuation fund.

4. Application forms may be obtained from the Secretary, West Midland TAVR Association, Tennyson Grange, Tennyson Road, Harborne, Birmingham B32 2HN. Completed forms must reach the Association by 11 March 1980.

5. No testimonials or similar documents should be sent until asked for. All applications received will be acknowledged. Any form of canvassing will lead to immediate disqualification.

## Appointment of General Manager

Washington Development Corporation

£17,740-£20,582 per annum

The post of General Manager, Washington Development Corporation, will become vacant from 1st July 1980 on the retirement of the present holder, Mr. W. S. Holley, CRE, DL. The salary scale will be £17,740-£20,582. Washington Development Corporation is responsible for the development of Washington New Town, now the most flourishing growth area in the North East of England. The general development of the town is nearing completion and the future role of the Corporation will be primarily concerned with industrial and commercial promotion and management. Although the Corporation is due to wind up at the end of 1983 it is currently expected that its industrial role will be extended beyond that date. Clarification is expected shortly. The closing date for applications to be received by the Corporation is 8th February, 1980. Application form and further particulars are available from: Administrative Officer, Washington Development Corporation, Lifford Hall, Stephenson, District 12, WASHINGTON, Tyne and Wear, NE37 3HS. (The advertisement appears with the agreement of the New Towns Staff Committee.)

Washington Development Corporation



### GENERAL VACANCIES

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## Motoring

### How to curb danger from farm trailers

My recent piece on the possible safety hazard presented by agricultural trailers not carrying direction indicator lights has produced strong reactions and it appears that the anxiety about unit trailers may be widely shared.

The item was prompted by the experience of a reader who was driving along a country road behind a trailer being towed by a tractor. Thinking the way ahead was clear, he pulled out to overtake but as he did so the tractor turned right and a collision was inevitable. My correspondent was unhurt but faces a £400 bill for repairs to his car.

He argues that the accident would probably not have happened had the law required the tractor to fit indicator lights. The tractor did have such lights but the width of the trailer made them impossible to see from behind. It is doubtful whether hand signals by the tractor driver would have been visible either.



Lively small hatchback—the Fiat Strada

Support for a change in the law comes from Professor P. J. Yarrow, of Newcastle upon Tyne University. His daughter, riding a motor cycle behind a tractor and trailer, had also started to overtake when the tractor turned right without visible warning. The machine was wrecked and the girl suffered a broken kneecap.

Mr Geoffrey Perrott, from Ross-on-Wye, tells of a similar accident involving his son, who was badly injured. Mr Perrott says tractors and trailers are often encountered on the rural roads in his area and he gives several reasons why he considers them a hazard.

One is that a slow-moving tractor can misjudge the relative speed of other traffic. Secondly, narrow country lanes prevent a tractor from indicating its intentions by its position on the road. A tractor can

turn as sharply as a London taxi and when hand signals are used the hand has to be withdrawn just before turning to work the steering wheel.

Yet another trailer accident is recalled by Mr Kenneth Strachan, from Banchoy, Kincardineshire, who suggests that trailers could be fitted with temporary lighting boards in the same way as caravans. Failing that, tractors could have lighting boards so wide that they always cleared the trailer.

Mr Nigel Earle, a farmer from Sywell, Northampton, does not light his tractor on his trailer, which are 6ft 6in wide, with rear, stop and indicator lights, reflective triangles and the space for number plates. But he says that the boards are not easy to fix and he points out that neither tractor indicators nor their bulbs appear to be standardized and that spares can be difficult to find.

He favours the American system of having twin orange high intensity lights fore and aft on the roof of the tractor cab which can be used either as direction indicators or as warning lights. He says such lights should be instantly visible from behind, though not, I would have thought, if the trailer had a very high load.

Mr Earle also has an accident to recount, though one for which he firmly blames the motorist concerned. He says: "Being rather old, I can remember being ordered to keep a good distance from any vehicle in front and to pull out in good time before overtaking."

The official attitude is not dissimilar. The Department of Transport says the onus is on the motorist to take special care when encountering agricultural vehicles on the road. Both Miss Yarrow and Mr Perrott had to face court proceedings. Miss Yarrow was acquitted of dangerous driving but Mr Perrott, who covers 20,000 miles a year on a motor cycle and has a clean record, was fined and had his licence endorsed.

Tractors are also exempt from having to fit direction indicators, though the Government is considering a European Community directive suggesting they should be compulsory. The proposal will be put out to consultation shortly and it would seem a good opportunity to sound opinion on trailer lights as well.

### Road test: Fiat Strada

The small front-wheel drive hatchback is becoming increasingly crowded and difficult to

appraise. The Strada's rivals already include the Talbot Horizon, Volkswagen Golf, Renault 5, Fiat 1000 from Japan and the latest Opel-Kadett, soon to appear with a Vauxhall badge as the Astra. There is also the Car of the Year, the Lancia Delta, from Fiat's own stable and using the Strada's engines, and, to come in, the new Ford Escort replacement.

It is a baffling choice for the customer, particularly as all these cars (I cannot yet speak for the Ford) have considerable merit and no one is obviously superior to the rest. The balance of advantage is very fine and in the end the decision will probably have to be made on taste or prejudice.

The Strada strikes me as a very competent car which does most things adequately but has no outstanding features. It therefore lacks a little in character. Fiat models have traditionally been designed for the sort of motorist found in abundance in Italy, who likes to drive hard and values performance and handling over comfort and refinement. The Strada is more of a compromise, but a not unsuccessful one.

For example, that throaty engine roar that still characterizes the more sporting Fiats has been virtually eliminated and the Strada's unit is noticeably smooth and generally quiet. With the car's aerodynamic wedge shape minimizing wind noise, it is as enjoyable to cruise on the motorway as to drive in town. Again, the ride is softer than on some previous Fiats thanks to longer travel on the all-independent suspension, though it

does not come up to the standard of the best French cars.

These improvements have not been achieved at the expense of established Fiat virtues of performance and handling. The Strada comes in two engine sizes, 1300 and 1500, aluminium headed overhead camshaft units, which both give lively acceleration for their class. The 1500, which I have been driving, is particularly nippy, reaching 60 mph from rest in about 13 seconds and with a claimed maximum speed of 89 mph. There is good flexibility, except that it is usually necessary to drop down from top fifth (a five-speed box is standard on this model) when overtaking.

The softer suspension means that handling is less crisp but Fiat buffs will not have much to complain about. The car corners with little roll and controllable understeer and if the tyres squeal under hard cornering, they provide excellent grip. Steering, heavy at low speeds, lightens once the car gets on the move and gives an accurate response. The gearchanges could be smoother.

Even using the fifth gear I did not better 31 mpg on the open road, while in town I dropped to 25 mpg, both figures being rather below average for the size of car.

People who have been put off Italian cars by their curious driving position will be interested to know that the Strada does not require its drivers to be built like gorillas, with very long arms and short legs. Legroom is good, back and front, though tall rear passengers may have to duck a shade to avoid brushing the roof. An already generous boot (the spare wheel is housed under the bonnet) can be greatly extended

by folding the back seats forward, individually if required. The heater takes time to get effective and it cannot be combined with fast level fresh air, so the choice is between a stuffy car or a cold one.

The Strada offers three and five-door bodystyles, is well equipped and competitively priced at from £3,358 to £4,198.

### Luxury Alpine

Talbot (formerly Chrysler) has this week announced an additional model in its Alpine medium hatchback range, the 1600 SX, which has a new 1592 cc engine and an impressive list of standard items, including automatic transmission, power steering, electrically operated front windows, cruise control and central door locking. The car is also fitted with a computer, pioneered in the Horizon model, which shows the time and distance of the journey, the fuel consumed, the average rate of consumption and the average speed. The price is £4,495.

The SX and the existing 1442 and 1300 Alpines, have a smoother front end, partly to improve appearance but also to reduce aerodynamic drag and help fuel consumption. The 1300 is 5 mpg more economical at a steady 56 mpg, according to Government figures, while the 1442 gains a useful 2 mpg in town driving.

A saloon version of the Alpine will be launched in the summer.

Peter Waymark

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Tractors are also exempt from having to fit direction indicators, though the Government is considering a European Community directive suggesting they should be compulsory. The proposal will be put out to consultation shortly and it would seem a good opportunity to sound opinion on trailer lights as well.

The small front-wheel drive hatchback is becoming increasingly crowded and difficult to

appraise. The Strada's rivals already include the Talbot Horizon, Volkswagen Golf, Renault 5, Fiat 1000 from Japan and the latest Opel-Kadett, soon to appear with a Vauxhall badge as the Astra. There is also the Car of the Year, the Lancia Delta, from Fiat's own stable and using the Strada's engines, and, to come in, the new Ford Escort replacement.

It is a baffling choice for the customer, particularly as all these cars (I cannot yet speak for the Ford) have considerable merit and no one is obviously superior to the rest. The balance of advantage is very fine and in the end the decision will probably have to be made on taste or prejudice.

The Strada strikes me as a very competent car which does most things adequately but has no outstanding features. It therefore lacks a little in character. Fiat models have traditionally been designed for the sort of motorist found in abundance in Italy, who likes to drive hard and values performance and handling over comfort and refinement. The Strada is more of a compromise, but a not unsuccessful one.

For example, that throaty engine roar that still characterizes the more sporting Fiats has been virtually eliminated and the Strada's unit is noticeably smooth and generally quiet. With the car's aerodynamic wedge shape minimizing wind noise, it is as enjoyable to cruise on the motorway as to drive in town. Again, the ride is softer than on some previous Fiats thanks to longer travel on the all-independent suspension, though it

does not come up to the standard of the best French cars.

These improvements have not been achieved at the expense of established Fiat virtues of performance and handling. The Strada comes in two engine sizes, 1300 and 1500, aluminium headed overhead camshaft units, which both give lively acceleration for their class. The 1500, which I have been driving, is particularly nippy, reaching 60 mph from rest in about 13 seconds and with a claimed maximum speed of 89 mph. There is good flexibility, except that it is usually necessary to drop down from top fifth (a five-speed box is standard on this model) when overtaking.

The softer suspension means that handling is less crisp but Fiat buffs will not have much to complain about. The car corners with little roll and controllable understeer and if the tyres squeal under hard cornering, they provide excellent grip. Steering, heavy at low speeds, lightens once the car gets on the move and gives an accurate response. The gearchanges could be smoother.

Even using the fifth gear I did not better 31 mpg on the open road, while in town I dropped to 25 mpg, both figures being rather below average for the size of car.

People who have been put off Italian cars by their curious driving position will be interested to know that the Strada does not require its drivers to be built like gorillas, with very long arms and short legs. Legroom is good, back and front, though tall rear passengers may have to duck a shade to avoid brushing the roof. An already generous boot (the spare wheel is housed under the bonnet) can be greatly extended

by folding the back seats forward, individually if required. The heater takes time to get effective and it cannot be combined with fast level fresh air, so the choice is between a stuffy car or a cold one.

The Strada offers three and five-door bodystyles, is well equipped and competitively priced at from £3,358 to £4,198.

Talbot (formerly Chrysler) has this week announced an additional model in its Alpine medium hatchback range, the 1600 SX, which has a new 1592 cc engine and an impressive list of standard items, including automatic transmission, power steering, electrically operated front windows, cruise control and central door locking. The car is also fitted with a computer, pioneered in the Horizon model, which shows the time and distance of the journey, the fuel consumed, the average rate of consumption and the average speed. The price is £4,495.

The SX and the existing 1442 and 1300 Alpines, have a smoother front end, partly to improve appearance but also to reduce aerodynamic drag and help fuel consumption. The 1300 is 5 mpg more economical at a steady 56 mpg, according to Government figures, while the 1442 gains a useful 2 mpg in town driving.

A saloon version of the Alpine will be launched in the summer.

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